

comes a law, as the bills are unfair, unwise, unnecessary, and discriminatory; to the Committee on Interstate and Foreign Commerce.

5291. Also, petition of City Council of Parma, Ohio, urging Congress to pass, and the President of the United States to approve, if passed, the General Pulaski's Memorial Day resolution now pending in the United States Congress; to the Committee on the Judiciary.

5292. Also, petition of E. W. Sipp and 90 other citizens of Milan, Ohio, urging support of the Townsend old-age revolving pension plan; to the Committee on Ways and Means.

5293. By Mr. WOLCOTT: Petition of George N. Lakie, of Romeo, and 48 other voters of Macomb County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

5294. Also, petitions of Denel Taylor, of Reese, and 42 others of Tuscola County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

5295. Also, petitions of James Toppin, of Harbor Beach, and 106 other residents of Huron County, Mich., urging the prompt enactment of the Frazier-Lemke refinancing bill; to the Committee on Agriculture.

5296. By the SPEAKER: Petition of the city of Richmond Heights, Mo.; to the Committee on the Judiciary.

SENATE

FRIDAY, MARCH 22, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, March 21, 1935, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. ROBINSON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Adams	Costigan	King	Robinson
Ashurst	Couzens	La Follette	Russell
Austin	Cutting	Logan	Schall
Bachman	Dickinson	Loneragan	Schwellenbach
Bailey	Dieterich	McAdoo	Sheppard
Bankhead	Donahay	McCarran	Shipstead
Barbour	Duffy	McGill	Smith
Barkley	Fletcher	McKellar	Stelwer
Bilbo	Frazier	McNary	Thomas, Okla.
Black	George	Maloney	Thomas, Utah
Bone	Gerry	Minton	Townsend
Borah	Gibson	Murphy	Trammell
Brown	Glass	Murray	Truman
Bulkley	Gore	Neely	Tydings
Bulow	Guffey	Norbeck	Vandenberg
Burke	Hale	Norris	Van Nuys
Byrd	Harrison	Nye	Wagner
Capper	Hastings	O'Mahoney	Walsh
Clark	Hatch	Pittman	Wheeler
Connally	Hayden	Pope	White
Coolidge	Johnson	Radcliffe	
Copeland	Keyes	Reynolds	

Mr. AUSTIN. I announce that the Senator from Pennsylvania [Mr. DAVIS] is absent because of illness, that the Senator from Wyoming [Mr. CAREY] is absent on official business, and that the Senator from Rhode Island [Mr. METCALF] is necessarily detained from the Senate.

Mr. ROBINSON. I announce that my colleague the junior Senator from Arkansas [Mrs. CARAWAY] and the junior Senator from Louisiana [Mr. OVERTON] are absent because of illness, and that the Senator from South Carolina [Mr. BYRNES], the senior Senator from Louisiana [Mr. LONG], the Senator from Illinois [Mr. LEWIS], and the Senator from New Jersey [Mr. MOORE] are necessarily detained from the Senate.

The VICE PRESIDENT. Eighty-six Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate petitions of sundry citizens of the States of Arkansas, Mississippi, North Carolina, South Carolina, Virginia, and West Virginia, praying for the enactment of old-age-pension legislation, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Starlight Youth Branch, A. W. F., of New York City; the American League Against War and Fascism, of Bath Beach, Brooklyn, and Branch 12 of the United Council of Working Women, all in the State of New York, protesting against the enactment of alien and sedition legislation tending to suppress civil rights, which were referred to the Committee on Immigration.

He also laid before the Senate petitions of sundry citizens of the State of California, Maine, Massachusetts, New Jersey, and Oklahoma, praying for an investigation of charges filed by the Women's Committee on Louisiana relative to the qualifications of the Senators from Louisiana [Mr. LONG and Mr. OVERTON], which were referred to the Committee on Privileges and Elections.

He also laid before the Senate a resolution adopted by Commune No. 174 of the Polish National Alliance of the United States of North America, of Kalamazoo, Mich., favoring the enactment of pending legislation proclaiming October 11 in each year as General Pulaski's Memorial Day, which was ordered to lie on the table.

Mr. BARBOUR presented resolutions adopted by the Vineland and South Jersey Cooperative Egg Auction and Poultry Association and the Vineland-Landis Township Chamber of Commerce, both of Vineland and vicinity, in the State of New Jersey, favoring the enactment of the so-called "Frazier-Lemke farm-mortgage refinancing bill" and the "Thomas-Massingale cost-of-production bill", which were referred to the Committee on Agriculture and Forestry.

Mr. COPELAND presented a resolution adopted by the Farmers and Gardeners' Association, Wantagh, Long Island, N. Y., protesting against the enactment of the so-called "Warner bill", proposing to make potatoes a basic commodity, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by Ira Lou Spring Post, No. 149, the American Legion, of Jamestown, N. Y., favoring the taking of active deportation and other measures against the activities of alien Communists in the vicinity of Jamestown, N. Y., which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Finnish Workers' Club of New Rochelle, N. Y., protesting against the enactment of alien and sedition laws tending to suppress civil rights, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Parent-Teacher Association of Creek Locks, N. Y., favoring the establishment of a national film institute to encourage the production, distribution, and exhibition of motion pictures for visual education and suitable entertainment, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by Chautauqua County (N. Y.) Pomona Grange, protesting against the enactment of the so-called "Black-Connery 36-hour work week bill", which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by the National Supreme Body of the Fralman, representing Baldwin Unit, No. 1 and Freeport Unit, No. 2, of Long Island, N. Y., favoring the prompt enactment of legislation empowering and requiring the President, in the event of war, to take immediate control and operation of all business establishments in the country, and to "freeze" prices and wages at the inception of such war to the average annual level for any previous 10-year period, etc., which was referred to the Committee on Military Affairs.

He also presented resolutions adopted by representatives of parent-teacher and civic associations and American Legion

posts, in the eastern section of Queens County, N. Y., favoring the prompt allocation by Federal Public Works Administrator Ickes of sufficient funds to erect and equip the Andrew Jackson High School, which were ordered to lie on the table.

He also presented a letter from William J. Russell, executive vice president of the Chamber of Commerce of the Borough of Queens, N. Y., relative to order no. 129, issued by the Federal Public Works Administrator, in regard to positions held in connection with the expenditure of P. W. A. funds, which was ordered to lie on the table.

He also presented a resolution adopted by the National Council on Schoolhouse Construction, favoring the making of increased appropriations for the Public Works Administration so as to permit more extensive schoolhouse construction, which was ordered to lie on the table.

Mr. NEELY presented the following concurrent resolution of the Legislature of the State of West Virginia, which was referred to the Committee on the Library:

IN THE LEGISLATURE OF THE STATE OF WEST VIRGINIA.
Senate Concurrent Resolution 13

Approving an official colonial inaugural celebration annually by the State of West Virginia for the purpose of financing the proposed George Washington foundation as a national shrine in West Virginia at the historic town of Bath, Berkeley Springs, for the benefit of mankind

Whereas on March 16, 1934, the Senate of West Virginia and the house of delegates concurring therein unanimously approved the organization of the George Washington Foundation Association for the purpose of carrying on the great humanitarian project begun by the founder of our Nation nearly two centuries ago; and

Whereas on March 18, 1934, the George Washington Foundation Association was organized in the senate chamber of the capitol of West Virginia on the anniversary of Washington's pioneer visit to "Y. Pam'd Warm Springs"; and

Whereas on April 30, 1934, in the Women's Clubhouse, Charleston, the first election of officers of the association was held on the anniversary of the first inauguration of the first President of the United States (this day being known as "President's Day"); and

Whereas in observance of the founder's birthday, February 22, 1935, a charter was granted to the George Washington Foundation Association for the perpetuation of the medicinal springs as a health center; and

Whereas the proposed Washington Foundation shrine, for the perpetuation of the historic springs made famous by the prestige of the Father of his Country throughout his lifetime will be Nation-wide in interest; and

Whereas the plan proposed in the Washington bicentennial year 1932 to finance the foundation by the continuance of the national celebration of the founder's birthday annually, to aid in the national health program, was not unlike the recent celebrations of the President's birthdays which have proved the merit of such a plan; and

Whereas historic Bath is the first and only health resort in America that was sponsored and promoted by the great Washington, who took his family there for many weeks at a time "to try y. effects and y. water": Therefore be it

Resolved by the senate (the house of delegates concurring therein), That colonial celebrations to finance the George Washington Foundation, as a national shrine within our sovereign State for the welfare of suffering humanity be officially opened in the capitol of West Virginia on the anniversary of the first inauguration of the first President of the United States, April 30, 1935; and similar celebrations be held throughout West Virginia at this time; and that a copy of this resolution be sent to the Congress of the United States for the approval of a national colonial celebration, annually, in observance of the founder's birthday or of the anniversary of the first inauguration, so that each State in the Union may have a permanent active interest in the foundation and thus establish a friendly and humanitarian relationship that cannot otherwise be achieved, and the same is hereby approved.

We hereby certify that the foregoing Senate Concurrent Resolution No. 13 was regularly adopted by the legislature March 7, 1935.

PHINEAS LINDSEY,
Clerk of the Senate.

JNO. S. HALL,
Clerk of the House of Delegates.

REPORTS OF COMMITTEES

Mr. WAGNER, from the Committee on Public Lands and Surveys, to which was referred the concurrent resolution (S. Con. Res. 3) favoring the designation and appropriate observance of American Conservation Week, reported it without amendment and submitted a report (No. 362) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 1988) to revive and reenact section 5 of the act entitled "An act to authorize the construction of certain bridges and to extend the times for

commencing and for completing the construction of other bridges over the navigable waters of the United States", approved March 4, 1933, reported it with amendments and submitted a report (No. 363) thereon.

He also, from the same committee, to which was referred the bill (S. 2156) to extend the times for commencing and completing the construction of a bridge across the Chesapeake Bay between Baltimore and Kent Counties, Md., reported it without amendment and submitted a report (No. 364) thereon.

(Senate bill No. 5, known as the "pure food and drug bill", was reported by Mr. COPELAND from the Committee on Commerce, with amendments, and appears under a separate heading.)

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BORAH:

A bill (S. 2335) authorizing the Bureau of Indian Affairs to erect a monument and construct a replica of old Fort Hall on the Fort Hall Indian Agency Reserve, Idaho; to the Committee on Indian Affairs.

By Mr. MALONEY:

A bill (S. 2336) granting compensation to Mary Weller; to the Committee on Claims.

By Mr. HALE:

A bill (S. 2337) granting a pension to Jessamine L. Benson (with accompanying papers); to the Committee on Pensions.

By Mr. VAN NUYS:

A bill (S. 2338) granting a pension to Frederick L. Long (with accompanying papers); and

A bill (S. 2339) granting a pension to Lottie Whetstone (with accompanying papers); to the Committee on Pensions.

By Mr. ASHURST (by request):

A bill (S. 2340) to authorize the Attorney General to determine the fees to be paid in connection with the taking of depositions on behalf of the United States; to the Committee on the Judiciary.

By Mr. SHIPSTEAD:

A bill (S. 2341) to amend the Agricultural Adjustment Act with respect to flaxseed, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McKELLAR:

A bill (S. 2342) to remove the charge of desertion from the record of Albert T. Lipford; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 2343) for the relief of Maj. Edwin F. Ely, Finance Department; Capt. Reyburn Engles, Quartermaster Corps; and others (with accompanying papers); to the Committee on Claims.

By Mr. NORBECK:

A bill (S. 2344) to amend the act entitled "An act relating to direct loans for industrial purposes by Federal Reserve banks, and for other purposes", approved June 19, 1934, as amended; to the Committee on Banking and Currency.

A bill (S. 2345) to provide for a survey of the manganese ore resources of the United States, and for other purposes; to the Committee on Mines and Mining.

By Mr. COPELAND:

A bill (S. 2346) for the retirement of employees in the classified civil service, and for other purposes; to the Committee on Civil Service.

A bill (S. 2347) for the relief of Rose M. Callaghan; to the Committee on Claims.

A bill (S. 2348) to amend section 6 of the Naval Appropriation Act approved March 3, 1931, to regulate the distribution and promotion of commissioned officers of the line of the Navy, and for other purposes; to the Committee on Naval Affairs.

A bill (S. 2349) to provide for the promotion of janitors, cleaners, elevator operators, watchmen, and firemen helpers in the Post Office Department of the United States; to the Committee on Post Offices and Post Roads.

CHANGE OF REFERENCE

On motion of Mr. BYRD, the Committee on the Library was discharged from the further consideration of the bill (S. 2073) to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes, and it was referred to the Committee on Public Lands and Surveys.

AMENDMENT TO AGRICULTURAL DEPARTMENT APPROPRIATION BILL

Mr. NORBECK submitted an amendment intended to be proposed by him to House bill 6718, the Agricultural Department appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 62, line 14, to strike out the figures "\$453,692" and insert in lieu thereof the figures "\$1,000,000."

On page 63, line 15, strike out the figures "\$167,978" and insert in lieu thereof the figures "\$277,978."

On page 64, line 7, strike out the figures "\$71,596" and insert in lieu thereof the figures "\$164,486."

On page 65, line 22, strike out the figures "\$1,195,184" and insert in lieu thereof the figures "\$1,944,382."

On page 65, line 23, strike out the figures "\$294,409" and insert in lieu thereof the figures "\$339,869."

On page 66, line 2, strike out the period at the end of the sentence and insert in lieu thereof a comma and add the following: "and not to exceed the sum of \$15,000 shall be available for the purchase and operation of airplanes in Alaska."

ARMY DAY

Mr. SHEPPARD submitted the following concurrent resolution (S. Con. Res. 13), which was referred to the Committee on Military Affairs:

Resolved by the Senate (the House of Representatives concurring), That Saturday, April 6, 1935, be recognized by the Senate and House of Representatives of the United States of America as Army Day, and that the President of the United States be requested, as Commander in Chief, to order military units throughout the United States to assist civic bodies in appropriate celebration to such extent as he may deem advisable.

REMEDY FOR BANG'S DISEASE OF CATTLE

Mr. SCHALL, Mr. President, my attention has been called to the attitude of the Department of Agriculture toward the Bowman Remedy Co., of Owatonna, in my State, which for years has been engaged in marketing a remedy for Bang's disease of cattle.

The remedy was discovered by Erick Bowman on his farm in Winnebago County, Iowa, in 1914, when his own herd of cattle was infected with contagious abortion; and over 6,000 stockmen testify to the value of it. However, the Department of Agriculture seems to be opposed to endorsing it or putting it into use in areas infected, and is, instead, expending \$25,000,000 in eradicating cows that have abortion according to the agglutination test. Any farmer who requests the Bureau of Animal Husbandry to have his herd tested for Bang's disease may have it tested and be paid not to exceed \$20 per head for grade cows and \$50 per head for purebred cows. In addition, he will be allowed whatever the reactors bring when sold on the market.

Speaking of the Bowman remedy, John Thompson, editor of Wallace's Farmer and Iowa's Homestead, of Des Moines, Iowa, says in a letter to the Secretary of Agriculture that a test costing \$10,000 could be put on that would convince any scientific man of the value and merit of this remedy, yet this has not been done, although the Department is busily engaged in eradicating the disease by the expensive method of tests and killing herds. This is all the more pitiful with meat prices mounting and the country and the consumer facing a shortage of meat and high cost of living.

I ask leave to place in the RECORD a letter addressed to the Secretary of Agriculture and a letter addressed to me from Milo Reno, of Des Moines, on this matter, urging an investigation of the Agricultural Department to determine whether it has deliberately opposed and suppressed this remedy without regard to the interests of the farmer and the consumer.

We are already importing meat from foreign countries because of an alleged shortage; and it behooves Congress to be on guard to protect the cattle in our country by every possible means, and not sit idly by and let the bureaucrats impose some theory they have devised that in their imaginations seems the best thing to carry out.

Six thousand stockmen testify to the value of the Bowman remedy. Such testimonials warrant an investigation of why the Department of Agriculture does not make use of the knowledge already gained about remedies for Bang's disease instead of ignoring it because some Dr. Mohler, in one of the downtown bureaus, thinks it is better to spend \$25,000,000 to eradicate the disease instead of spending \$10,000 to convince any scientific man that this is entirely unnecessary.

I ask that the letters referred to be printed in the RECORD and referred to the Committee on Agriculture and Forestry.

There being no objection, the letters were ordered to be printed in the RECORD and referred to the Committee on Agriculture and Forestry, as follows:

NATIONAL FARMERS' HOLIDAY ASSOCIATION,
Des Moines, Iowa, March 16, 1935.

Senator THOMAS D. SCHALL,
Washington, D. C.

DEAR SENATOR: I am interested in obtaining a fair, unprejudiced test of the Bowman remedy for contagious abortion, or Bang's disease.

The Department of Agriculture and the Federal veterinarians have viciously attacked this remedy, and I feel that inasmuch as we have already destroyed by drought, crop restrictions, and the Department's racket in eliminating tuberculosis approximately one-half of our herds that it is nothing short of criminal to continue the Department's method of destroying animals if there is a remedy that will control the disease.

You will notice in the information that is sent to you that this treatment has been almost universally successful, and the endorsement of the remedy by dairymen and herd owners of years of experience, whose qualifications to determine and integrity is unquestioned, certainly entitles this remedy to a fair, impartial test. The unthinkable thing is that Secretary Wallace undoubtedly is aware of the success of the Bowman treatment, yet refuses to throw his influence to an impartial test of the remedy.

I wish to say to you, Senator, that when the situation was brought to my attention in the early fall of 1934 I personally interviewed owners and herdsmen, who assured me of the remedial qualities and of the splendid success of this treatment. Not satisfied, I selected a herd at Pleasantville, Iowa, 30 or 40 miles from Des Moines, that was badly infected. Two brothers had been misled by the county agents and veterinarians into believing that there was no remedy but to slaughter the afflicted animals. This test has been made and completed yesterday, where all the animals treated, except one, were reactors before the treatment was administered, became negative or free from the disease.

I cannot possibly have any doubt but that this remedy will save the farmers and taxpayers millions of dollars, and protect society from a shortage of beef that must be supplied by other countries, if our people are to consume beef.

I was delighted when Mr. Peet informed me that you would take this up in the Senate. I feel that your position, in demanding a congressional investigation of the Agriculture Department as to whether they have deliberately opposed and suppressed this remedy without regard to the interests of the farmers and the general public is unassailable. I assure you I am ready to give you any assistance in my power, and I await any suggestions that you have to make. I am very sure that with the support you will undoubtedly have, in demanding an investigation of the Department, that you will, at least, divert their minds from their program of regimentation, of agricultural dictatorship, and the un-American program that so far in this administration has dominated its action.

Assuring you of my sincere regard, I am
Sincerely yours,

MIL0 RENO, President.

AUGUST 10, 1934.

Mr. HENRY WALLACE,
Wardman Park Hotel, Washington, D. C.

DEAR HENRY: I am not writing this letter to you as Secretary of Agriculture, but as my personal friend, so I trust that you will overlook the fact that I am addressing it to your residence. If I sent it to you as Secretary of Agriculture, I fear that you would never see it.

As you know, I have been interested in the so-called "Bowman contagious abortion remedy" for 12 years or more. I have absolute confidence in it ever since I made my first investigation of some 50 herds in Minnesota. Every user of the remedy spoke highly of it and backed his statement with healthy cows and plenty of calves.

Since the Department has now set aside \$25,000,000 to be spent for eradicating cows that have abortion, according to the agglutination test, my interest in the Bowman remedy has been intensified.

In the first place, this Department scheme of testing cows for Bang's disease, which here in Iowa, as Dr. Barger has told me, will be conducted all over the State; in other words, any farmer who requests the Bureau of Animal Husbandry to have his herd tested for Bang's disease may have it tested and be paid not to exceed \$20 per head for grade cows and \$50 per head for purebred. In addition, he will be allowed whatever the reactors bring when sold on the market.

Supposing that the Bang's test is reliable, these herds that will be tested will be improved and, if retested a year or two later on, it is conceivable that these particular herds might be cleaned up, but the chances are that herds on farms adjoining those that are cleaned up in this campaign would remain infected and the clean herds would not likely remain clean very long. In other words, so far as eliminating contagious abortion by this method, it will prove futile unless millions upon millions are spent and every Bang's disease reactor is slaughtered. In States like Iowa, Wisconsin, Illinois, and Minnesota there is no doubt in my mind but that at least 25 percent of the cows are infected with contagious abortion germs, and if we are going to eradicate the disease on that basis it will be extremely expensive—far more expensive than it has been to rid our cattle of tuberculosis. Besides it is acknowledged by all veterinarians that the agglutination test is not nearly as reliable as the tuberculosis test.

I know, of course, the attitude of Dr. Mohler and all experimentation vets and probably 97 percent of the practicing veterinarians in the United States in this abortion matter. They all say that it cannot be cured. That I know to be a mistake for the reason that I have seen hundreds of herds cured of the disease and turned into profitable producers after being very severely infected.

Several days ago I stopped at Owatonna to visit Mr. Bowman and asked him to take me out to see a herd which he treated in 1932 to give me a chance to talk with the owner of that herd. This herd is owned by S. L. Bennett & Son, route 5, Owatonna, Minn. Briefly here is what I found:

For 6 years these men had contagious abortion in a herd of Holstein cattle and every year lost a very large percentage of their calves. Scarcely any of the cows that calved at the normal period cleaned in a natural way. They had to call a veterinarian to clean them. They finally became so disgusted with the cattle that they sold the entire herd. Then they cleaned up the farm as thoroughly as they could, using various disinfectants, left the farm without cattle for about 9 months, and then the elder of these men, S. L. Bennett, decided that he would buy a Guernsey herd of 30 cows.

In about 6 months the Guernsey herd began to abort and before the first year was over a large number had aborted. They called upon the State veterinarian of Minnesota and asked him to help them clean up the herd. The Bennetts signed a contract with the veterinarian, as is usual in that State, agreeing that they would handle the herd as recommended by the veterinarian, and that contract provided that they must use no commercial remedy of any kind while the herd was under the jurisdiction of the State veterinarian. They worked along with him for a couple of years or so without any results. In spite of segregating reacting cows and placing them in a separate barn abortion did not cease.

One day Bowman visited this herd and told Mr. Bennett that he could stop the disease and make his herd a producing unit in a very short time. Mr. Bennett finally decided to let Mr. Bowman do what he could. At that time, September 8, 1932, there were about 30 cows in the herd; 15 of them, according to the Minnesota State veterinarian test, were positive, 1 suspicious, the others negative. The day after Bowman administered his treatment to this herd one cow aborted. That is the only one that has aborted since his treatment was begun. Today that herd has only two positive reactors and one suspicious. The others are all negative. Each cow in the herd has produced two calves since treatment was given and they are producing in a normal manner. They have not had to call the veterinarian to clean a single cow since that time and, of course, are extremely well satisfied.

The two cows that are positive and the suspicious one have been given another Bowman treatment and I have not the slightest doubt but that in the course of a few months from now these reactors also will be negative. Whether they are or are not is not a very important matter when a herd of cows gives birth to 100-percent calf crop 2 years in succession after treatment when half the herd has been positive and at least one-half the calves have died for several years before. Where is the man that can say that the Bowman treatment is no good?

Now, Henry, this is only one herd. If I knew of no other herds that reacted to the Bowman treatment like this one, the story would not mean much, but I have visited hundreds of similar herds. In every case I have found results corresponding to these.

The Bureau of Animal Industry and the experiment stations in the United States as well are to be severely censured for not giving this remedy a real test. I do not ask Mr. Mohler or anyone else to take my statements for scientific facts, but I do claim that the evidence in favor of this remedy is so overwhelming that no institution that has the interest of the livestock breeder at heart can afford for a single day to let that remedy go untested by competent authorities; especially now, when the Government is spending \$25,000,000 in an attempt to clean up Bang's disease but will not appropriate a red cent to test out a remedy like the Bowman treatment. There is something radically wrong somewhere.

A test that will convince any scientific man can be put on here in Iowa or anywhere else for the small sum of \$10,000; and if it cost a million dollars it would pay to put it in, because, as you well know, the cost of abortion in this country amounts to millions every year. I am convinced that contagious abortion can be done away with completely in a course of 4 or 5 years, and with very little expense to the farmers, and instructions given them as to how it is administered.

Writing letters about these things is a very unsatisfactory thing to do. I am so intensely interested in this thing that I wish you would ask me to come to Washington to explain it to you more thoroughly, or to anyone else. I know that Dr. Mohler will oppose

any real experiment; but who is the boss of the Department of Agriculture when it comes to a question of this kind? Hasn't the Secretary of Agriculture the power to direct Dr. Mohler to investigate? He certainly must have. I am appealing to you, Henry, to start something along this line. If a commission is appointed, men should be appointed who are absolutely unbiased—not a commission of veterinarians, but a commission of real scientists, for there is plenty of science back of this remedy, I assure you. I wish we could get such a man as Dr. Steenbock to work on it and supply him with the necessary funds. I have every confidence in the man and believe that he would get to the bottom of it.

What the active principle of the remedy is, I do not know, but I suspect that it is a vitamin. At any rate, the results are sufficient to point in that direction.

Pardon me for saying this, Henry, but if you will institute a real test on this matter and it turns out as I believe it will, and the Government will have to say to the farmers that they can now tell them how to cure contagious abortion, you will have done a thing which American stockmen will remember you for forever.

If my suggestion of visiting you personally in Washington does not appeal to you, or if you think that it would be useless, what do you think about my presenting the case to Dr. Tugwell when he comes to speak at the Iowa State fair? I trust you will let me hear from you at your earliest convenience.

Thanking you in advance for any decision you may make in this matter, I am,

Very sincerely,

JOHN THOMPSON,
Editor Wallaces Farmer and Iowa Homestead,
Des Moines, Iowa.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 24) to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital.

CONTROL OF NARCOTICS—ADDRESS BY ATTORNEY GENERAL, ETC.

Mr. ROBINSON. Mr. President, I ask unanimous consent to print in the RECORD the address of the Attorney General of the United States, Hon. Homer Cummings, delivered over the Columbia Broadcasting System last night as the closing event of the series of Nation-wide broadcasts by the World Narcotic Defense Association in the interest of the enactment of the Uniform State Narcotic Act now pending before the legislatures of most of the States.

The Attorney General's address contains a message from President Roosevelt; and I should like to include authority to print a message received by the World Narcotic Defense Association from the President of the Turkish Republic, Gazi Mustafa Kemal. Senators are aware that under the guidance of President Kemal the Republic of Turkey has taken leadership in the world-wide warfare of humanity against the illicit narcotic-drug traffic. His message transmitted by the Turkish Ambassador, together with the message of our President, and the address of the Attorney General, make a notable contribution to important state papers in the history of the narcotic-drug problem.

There being no objection, the address of the Attorney General and the message from the President of Turkey were ordered to be printed in the RECORD, as follows:

(Report of the fifth and last of the series of broadcasts put on by the World Narcotic Defense Association in the interest of the enactment of the uniform State narcotic act by the legislatures of the States, Thursday, Mar. 21, 1935, 11:30 p. m., Columbia Broadcasting System.)

The announcer said:

"This is the last of a series of Nation-wide broadcasts put on by the National and Columbia Broadcasting Cos. under the auspices of the World Narcotic Defense Association, of which Admiral Richmond P. Hobson is president. This association has its headquarters at 578 Madison Avenue, New York City, and devotes itself to protecting the people in every way possible against the narcotic-drug evil. Admiral Hobson will conduct this broadcast. Admiral Hobson."

Admiral Hobson said:

"Mr. Attorney General, ladies, and gentlemen, authorities in the field of the narcotic-drug peril all attach the highest importance to the enactment by the legislatures now in session in most States of the pending uniform State narcotic act. This series of broadcasts is conducted by the World Narcotic Defense

Association especially in the interest of this action by State legislatures. The following authorities have taken part: First broadcast by Hon. Charles Curtis, former Vice President of the United States, and Senator Key Pittman, Chairman of the Foreign Relations Committee of the Senate; second and third broadcasts by Mrs. Grace Morrison Poole, president of the General Federation of Women's Club, and Mrs. Ida B. Wise Smith, national president of the Woman's Christian Temperance Union; the fourth by Hon. Scott M. Loftin, president of the American Bar Association, and Hon. Clarence E. Martin, former president of the American Bar Association when the uniform law was approved by that association, and Hon. Harry J. Anslinger, United States Commissioner of Narcotics. The fifth and last is now at hand over the Columbia Broadcasting Co. in an address by the Attorney General, bearing a message from President Roosevelt.

"As president of the World Narcotic Defense Association, I am happy to report the following gratifying results to date, enactment of the uniform law by the following States in the order in which they are mentioned: Nevada, New York, Florida, New Jersey, Virginia, Rhode Island, South Carolina, Kentucky, Louisiana, Georgia, Nebraska, Arizona, New Mexico, Oregon, Colorado, Maryland, West Virginia, and Utah. In the following States the act has passed one house of the legislature: Arkansas, Idaho, and South Dakota.

"We now reach the last of the series of broadcasts.

"Ladies and gentlemen, the Attorney General of the United States, Hon. Homer Cummings."

The Attorney General said:

"Admiral Hobson, ladies, and gentlemen, for more than a hundred years the illicit use of narcotic drugs has been spreading over the earth like a malignant malady until, today, no land is free from this menace to the well-being of mankind.

"In the underworld of our large cities there are innumerable drug addicts of both sexes, some of pitifully tender years, recruited from all walks of life, undergoing moral disintegration, neglecting their personal hygiene, and with vitality and resistance lowered, becoming active incubators and carriers of communicable diseases. They constitute an ever present peril to public health, public morals, and public safety. In this environment adolescent victims rub shoulders with confirmed addicts and the criminal classes. They come forth from their apprenticeship equipped with the technique of crime and, as gunmen and killers, are the ready instruments of racketeers and gangsters. Drug exploitation is a recognized factor in robberies and other crimes of violence and an integral part of the problem of lawlessness.

"Both personally and as Attorney General, I am deeply interested in the enactment of the uniform narcotic-drug law. At present the narcotic laws of the various States are in a chaotic condition, preventing efficient use of the police power and thwarting cooperation with the efforts of the Federal Government. The Federal Government alone cannot reach this menace. Uniform legislation is vitally necessary.

"The measure now pending before various legislatures can be accepted with the utmost confidence. It was carefully prepared by a special committee of the Conference of Commissioners on Uniform State Laws and presented for revision at five successive annual meetings of the conference. The final draft was approved in 1932, and in October of that year it was unanimously endorsed by the American Bar Association.

"This event occurred at a most opportune time, following, as it did, 6 months after the United States had ratified the Geneva Narcotic Limitation Convention of 1931 and preceding by 9 months the time when that treaty went into operation in the United States. This important treaty limits the total manufacture of narcotic drugs to the amounts required for medical and scientific purposes, strikes at illicit sources of supply, and constitutes the very bulwark for the international warfare upon this common and hideous enemy of society. Moreover, the final draft of the uniform State law includes the provisions recommended by the responsible officials of our Federal Government as necessary for the fulfillment by our country of its obligations to the world under this convention.

"It will be recalled that President Roosevelt was among the first of our high public officials to recognize the seriousness of the narcotic-drug evil and its international character. Three years ago, while serving as Governor of the State of New York, he sent an urgent telegram to the World Narcotic Defense Association on the occasion of the observance of narcotic education week, in which he emphasized the importance of ratifying the Geneva Limitation Convention and the imperative need of enacting the uniform State narcotic law. I now have the pleasure of reading to you a personal message from him:

THE WHITE HOUSE,
Washington, March 21, 1935.

MY DEAR ADMIRAL HOBSON: When the present administration took office 10 countries had ratified the Geneva Narcotic Limitation Convention. The United States was one of these 10. Between March 4 and April 10, 1933, 20 other countries deposited their ratifications, and the treaty went into operation on July 9, 1933. It was my privilege, as President, to proclaim, on that day, that this treaty had become effective throughout the jurisdiction of the United States. Since then 19 additional ratifications have been deposited at Geneva, and the treaty has now become the basis of international accord on narcotics. Already its influence has produced a profound effect upon the supply and the distribution of illicit narcotic drugs.

An imperative duty rests upon us as a people. Full effect can be given to the terms of the drug conventions only by supporting

legislation enacted by the ratifying nations. In this country Federal laws have already been passed. Under our dual form of government, the power to enact an essential part of this legislation is possessed by the States and by them alone. The provisions necessary for the fulfillment of the duties thus vested in our several States are incorporated in the draft of the uniform State narcotic law now pending before the legislatures of many of our States. This draft was prepared with great care and has received the endorsement and approval of a large number of responsible organizations of the country, including the American Bar Association and the American Medical Association.

While it was my privilege to proclaim that the treaty of 1931 became operative in our country on July 9, 1933, it is now the high privilege of the legislatures of the several States to give full effect to the beneficent terms of this treaty by the enactment of suitable and uniform narcotic legislation. By so doing the legislatures will give to their own people far better protection than they now have against the ravages of the narcotic-drug evil and at the same time they will strengthen the hands of the United States in its efforts to aid them and to further combat this evil abroad through full cooperation between our country and other nations.

On January 1, 1933, only 9 nations had registered their ratification of the Limitation Treaty. On January 9, 1935, only 9 States had adopted the uniform State statute. As 1933 witnessed ratification of the treaty by 31 additional nations, so may 1935 witness the adoption of the Uniform Drug Act by at least 31 more States, thereby placing interstate accord abreast of international accord, to the honor of the legislative bodies of our States and for the promotion of the welfare of our people and the peoples of other lands.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

ADMIRAL RICHMOND P. HOBSON,
President World Narcotic Defense Association,
The Army and Navy Club, Washington, D. C.

"In the conference on crime which I recently called to meet at Washington, action was taken to encourage the creation of centralized agencies for better police administration in the several States and for more efficient cooperation with the Department of Justice. It is highly important that when these agencies are organized the uniform State law should be upon the statute books of the States, so that the States and the Federal Government may more effectively function in the matter of law enforcement in the constantly widening field of crime caused by the use of narcotics.

"Now is the time for the adoption of this wholesome statute. I appeal to all good citizens and to all constructive agencies and organizations—Federal, State and local, public and private—to give their unqualified support to those who are laboring for this essential-measure reform. It is the least they can do to enable us to fulfill our obligations abroad and to free our country of the unspeakable consequences which inevitably follow the illicit use of narcotic drugs."

Admiral Hobson then said: "This is the concluding broadcast of our series and I know the millions listening join me in extending hearty congratulations to the patriotic legislators and public-spirited constituencies of the 18 States on the honor roll cited earlier, and will all join in wishing Godspeed to the equally patriotic legislators and public-spirited constituencies of the remaining States to hasten their States joining the honor roll.

"It will surprise many and will interest all to learn that America's chief contender for the leadership in the group of civilized nations making war upon the world illicit narcotic-drug traffic is none other than the Republic of Turkey, whose President, Mustafa Kemal, not long since sent a message to the World Narcotic Defense Association delivered in an address by the Turkish Ambassador.

"The four documents of the two rivals for noble honors in the service of mankind, messages from two great heads of state and two outstanding statesmen, constitute a notable addition to the documentation of the historic struggle of mankind against its most universal and inveterate enemy. These documents and the reports of the other parts of the series of broadcasts and additional literature upon the subject of the narcotic-drug problem can be secured without cost upon application to the World Narcotic Defense Association, 578 Madison Avenue, New York City.

"In closing, it only remains for me to express appreciation on behalf of the World Narcotic Defense Association and, I am free to add, on behalf of the unnumbered millions of listeners, and to thank the great broadcasting companies for extending their generous and patriotic services in the use of the facilities of their great systems.

"Thank you and good night."

The message of the President of the Turkish Republic and the address of the Turkish Ambassador transmitting same follow.

The Ambassador said:

"Mr. President, ladies, and gentlemen, it is a real satisfaction for me as a guest of your honorable association, to have the privilege of presenting some remarks on the very soil of the United States of America, which assumed the honorable part of pioneering in the movement against narcotic drugs in 1909, at the Shanghai conference.

"Mr. President, you invited the Turkish Republic, to make a full explanation of its program in this concerted movement of mankind against the narcotic evil. I avail myself of this opportunity to do so, all the more gladly because the president of the Turkish Republic has instructed me to deliver to you for this occasion, his own statement of the Turkish narcotic program, in the following words:

THE PRESIDENCY OF THE TURKISH REPUBLIC,
ANKARA, June 20, 1934.

Capt. RICHMOND P. HOBSON,
President World Narcotic Defense Association,
New York City.

DEAR SIR: I have received with satisfaction your letter sent through the care of the Turkish Embassy in Washington, in which you invite me to participate in the publication to be made on the occasion of the first anniversary of the coming into operation of the 1931 Geneva convention, limiting the manufacture and distribution of narcotic drugs. I sincerely thank you for this invitation.

After having examined the measures to be taken to combat the narcotic-drug evil, this greatest social scourge, and having taken into consideration the fact that success in this matter depends on the cooperation of all nations, I recommended to the Government, to adhere to all the existing international conventions, as has been stated by my honorable friend, Gen. Charles H. Sherrill, in his address broadcasted on the 24th of February 1934, given during the narcotic education week. As a result the Turkish Grand National Assembly approved the Hague Convention of 1912 as well as the 1925 and 1931 Geneva Opium Convention all at once. Today each and every one of these conventions are being enforced with the greatest care and scruple.

The accession to and the putting into operation of these conventions have not been easy nor without trouble. Although the use of opium has never been the custom in Turkey, its cultivation, since centuries, had acquired a great importance in the agricultural life of the country. Hundreds of thousands of Turkish peasants were earning their livelihood by opium cultivation. The measures in question, which coincided with the most critical period of the world economic crisis, have not failed to make their detrimental effects felt by this class of people. The Turkish Government, however, have attempted to take measures to alleviate the sufferings of the opium-growing peasants, and the sugar industry has been found, as stated by our good friend, General Sherrill, the best means to overcome this difficulty. Despite these critical circumstances the Turkish Nation and Republic derived great pleasure and happiness in contributing to the international measures tending to deliver mankind from the narcotic-drug evil, which is worse than the plagues of the olden days.

Ever since 1928 drastic steps had been taken in Turkey toward combating the narcotic drugs. But in order to meet the new conditions resulting from international agreements the grand national assembly have prepared new laws, which are in operation. One of these is the law relating to the monopolization of the narcotic drugs. The Turkish Government, knowing through experience, that the narcotic-drug trade when left in private hands was likely to go into illicit channels, has been the first to make a law monopolizing the manufacture, import, export, and sale of narcotic drugs, and submitted it to the assembly.

Thus the cultivation of raw opium has been restricted to a limited quantity under the control of the Government. It has also been deemed useful to establish a single State factory for the manufacture in the country of all narcotic drugs derived from opium. Finally the importation of other kinds of drugs to meet the medical and scientific needs, and the exportation, in accordance with international principles, of raw opium and of narcotic drugs manufactured in the country, have been given to the Monopoly Administration. The adoption of the same system in other countries would be desirable on account of its efficiency in the fight against narcotics. Furthermore, a law adopted on the 12th of June 1933, subjects to a strict control the importation, exportation and sale of all narcotics, and definitely prohibits the cultivation of Indian hemp and production of hashish. The penalties prescribed for persons engaged in the illicit traffic have been rendered more stringent in penal code. The Government of the Turkish Republic has, therefore, enacted more drastic measures for the control of narcotics in its territory and has definitely eliminated the possibility of Turkey becoming the center of world-illicit narcotic trade. Turkey will not fail to work faithfully and carefully to secure this end.

When conveying through you to the public opinion of the United States of America, the work done in accordance with the international conventions by the Government of the Turkish Republic, to eliminate the illicit traffic in drugs, I cannot help stating that the end in this good and humanitarian undertaking is not yet attained. There is still much to be done before humanity is completely delivered from the plague of narcotics. By these words I do not mean to deny the greatness of success achieved, thanks to the solidarity of all nations and especially to the memorable and inestimable services rendered by the United States of America. My aim is to emphasize the necessity of further struggle and especially of close cooperation between all nations to rid mankind of this scourge.

I avail myself of this opportunity to convey my sincere congratulations, together with my wishes for its success, to your association, which has duly earned the great respect and affection of all lovers of good works, through her long-standing humanitarian efforts.

Yours sincerely,

GAZI MUSTAFA KEMAL,
President of the Turkish Republic.

The Ambassador continued as follows:

"Here, then, you have the Turkish narcotic program from the one who is most responsible for its adoption, first, by the council

of ministers, then by the people's party, and, finally, by the Grand National Assembly, which corresponds in Turkey to the Congress of the United States here in America.

"It would be presumptuous on my part to make any attempt to explain more perfectly the narcotic program of my Government, because you have heard it stated by the President himself, who has taken care to cover the entire ground.

"There are some observations, however, which, as his Ambassador accredited to the Government of the United States, I may appropriately make. It is customary with us in Turkey for the Prime Minister instead of the President of the Republic to preside at meetings of the council of ministers, which correspond to meetings of your Cabinet.

"When President Kemal became fully informed regarding all the phases of the narcotic-drug evil and of the way in which Turkey was being used by the exploiters of narcotics to the injury of the rest of the world, he took so deep an interest in finding the remedy for this evil that he presided personally at the several councils of the ministers which formulated the Turkish narcotic program, and which he, himself, has explained to you.

"He concerned himself personally with the presentation of this program to the people's party and to the Grand National Assembly, and, after the hearty approval of this program by those agencies of the Turkish Republic, a vote of thanks to the President was adopted for the great interest shown by him in this matter of vital public concern.

"The legal measures now in operation in our country are in perfect accord with the treaty obligations assumed by my Government, and, in providing against the production of raw materials in Turkey in excess of the needs for manufacture of the drugs for scientific and medicinal purposes, Turkey has spontaneously adopted complementary measures, with a view to greater efficiency and in anticipation of future treaty provisions along that line.

"The new Turkey—

"That has superseded the autocratic and theocratic regime of the sultans, by full recognition of the sovereignty of the people—

"That has abandoned the state religion, guaranteeing at the same time entire freedom of conscience to every citizen—

"That has raised the standard of women by granting them very important rights—

"That has recognized solemnly the sovereignty of the legislative assembly to make laws, irrespective of any consideration alien to the requirement of the social conditions of the nation—

"That has made fast friends of her former adversaries, and that is trying to be a faithful servant of the cause of universal peace and order among nations—

will appreciate to its real value the manifestation of friendship of the American Nation and of one of her most distinguished associations which devotes all her abilities to such a high humanitarian aim.

"Mr. President, you have asked for a full statement of the Turkish point of view with regard to the convention we celebrate today. My statement would certainly not be complete if I do not express my sincere wishes to see celebrated, on the next anniversary of this day, the accession to the common cause of all non-adherent states.

"And in conclusion, permit me to give to you, and to the American people, the assurance that the Turkish Republic, which is accomplishing her evolution under the leadership of her best endowed son—Mustafa Kemal—will be found always ready to participate in every great enterprise requiring the cooperation of mankind." [Applause.]

GILDED GATEWAYS TO ECONOMIC PARADISE—ADDRESS BY SENATOR ROBINSON

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the senior Senator from Arkansas [Mr. ROBINSON] at the annual banquet of the Drug, Chemical, and Allied Trades on March 21, 1935, at the Waldorf-Astoria Hotel, New York City, entitled "Gilded Gateways to Economic Paradise."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

GILDED GATEWAYS TO ECONOMIC PARADISE

Mr. Chairman and gentlemen, a southern Congressman who had been notably successful in winning elections, when asked for the secret of his victories, replied, "I vote for all appropriations and against all taxes."

Such a policy cannot be justified on any theory associated with public responsibility and official duty.

Except in times of emergency, when, as during the present period, extraordinary and unusual measures are required, every governmental expenditure should be covered by revenues. There is no inexhaustible source from which funds may be procured. More appropriations mean more taxes.

Who among my hearers can recall a Nation-wide money panic or business depression that did not elicit numerous plans for monetary inflation—suggestions that the only adequate remedy is the issuance of large amounts of additional currency. Such inflation has seldom, if ever, proved advantageous. Almost in every instance it has been harmful and in many cases disastrous. Nevertheless it is the remedy universally prescribed by quacks for all economic ills.

TWO NOTABLE SCHEMES

During recent months two gilded gateways to economic paradise have been projected. The first is known as the "Townsend old-age pension bill." The second is called the "Long share-the-wealth plan." Neither is consistent with reason, experience, or sound argument. Both are violative of fundamental and generally accepted laws. Yet because of the distress in which so many of our people find themselves, they are both looked upon with favor by many for the magic which they promise the improvident and the unfortunate.

THE TOWNSEND PLAN

The Townsend plan provides for payment of a pension of \$200 per month to all residents of the United States who are 60 years of age, who are not habitual criminals, and who will covenant to spend the entire amount of the pension during the month in which it is received. The pensioner must withdraw from all productive or gainful labor and live in complete idleness and ease.

To defray the cost of the pensions it is contemplated that the Federal Government shall levy and collect a tax of 2 percent on every business, commercial, or financial transaction carried on within the limits of the United States.

BENEFICIARIES

The Federal Census of 1930 discloses that there were 10,350,000 persons in this country 60 years of age and over. Taking the figure employed by Dr. Townsend, there would be at least 8,000,000 citizens entitled to the pension. This number constitutes less than 7 percent of the population of the United States. Manifestly the number may be expected to increase so that the pension rolls would grow larger every year, and the annual cost would thereby be rapidly augmented.

ANNUAL COST TO THE GOVERNMENT

Accepting Dr. Townsend's figure of 8,000,000 pensioners at the initiation of the program drawing each \$200, \$1,600,000,000 would be required each month to pay the bill. Multiply this sum by 12, and we have the yearly amount of \$19,200,000,000, almost 5 times the cost to the Nation of the Civil War. Supporters of the Townsend bill dismiss these staggering figures as of no consequence. To pay the pensions of those now 60 years of age or more, estimating the average expectancy of life at 15 years, the astounding aggregate of more than \$245,000,000,000, almost the entire present taxable wealth of the United States, would be required for those now 60. Every year the number of pensioners would increase.

TAXES

To provide pensions for less than 7 percent of our population, those who work and produce must bear a burden of taxation which beyond doubt would prove unbearable and crushing to a people already heavily loaded with Federal, State, municipal, and improvement taxes.

Two percent on all transactions of a business nature. Testifying before the House Ways and Means Committee the author of the plan recently stated that in 1929 the dollar was turned over 132 times, and that if his plan becomes effective the dollar will turn over 528 times. Each dollar transaction, bear in mind, would carry 2-percent tax, or because of the turn-over approximately \$10.56. Tax authorities and other economists agree that a 2-percent tax on the money value of all business, commercial, and financial transactions would paralyze all business, or reduce it to such mean proportions that the revenues derived would diminish to the vanishing point.

What would be the effect on the consumers? The imposition of a manufacturers, wholesalers, and retailers sales tax for nearly all commodities would represent such a duplication and augmentation of taxes as inevitably would add greatly to the cost of living.

WHY THE TOWNSEND PLAN IS IMPOSSIBLE

These are some of the reasons why the Townsend plan is impracticable, not to say impossible. Moreover, the scheme is manifestly unfair. It proposes to take from those who produce the rewards of their labor and give it outright to those who, according to Dr. Townsend's statement, "shall discontinue and refrain from all gainful competitive pursuits or salaried positions of any kind." Mark you! This gift is not merely for the purpose of providing security and comfort to the aged. It is designed primarily to increase the purchasing power of less than 7 percent of the population as a means of promoting prosperity. From the incomes of all other citizens the Townsendites propose to subtract about \$20,000,000,000 each year for the benefit of a group who are not permitted to earn incomes, but who, on the contrary, are to be denied the opportunity to either earn or save.

The average income of the workers in the United States is far less than \$2,400. Many workers, particularly in rural communities, receive less than \$800. Yet all these, impoverished and hard driven as they are, must contribute to the \$2,400 incomes of the pensioners.

It will thus take more than one worker to support a single drone. What would be the result? Instead of increasing purchasing power and consequently increasing production, the purchasing power of those required to provide the pensions would be reduced and production would decline.

Let no one be deceived by the subtle manner in which the Townsend proposition has been presented. The money required to finance this wild scheme must either come from the taxpayers or from the sale of Government bonds or by resort to the printing presses for currency inflation.

In illustration of the mental processes and the economic theories of the author of the plan, when pressed for an opinion as to the cost of administering it, Dr. Townsend replied: "I say, we are not interested in the least in the cost of it." He would have us understand that the bankers could enforce the measure and that the neighbors of a pensioner could spy upon and complain of the latter should he fail to spend the entire \$200 each month. That every citizen would be on honor to report every transaction within his knowledge. With innumerable millions of transactions taking place throughout the country, with pensioners going to and from places of temporary residence, millions of trained investigators and accountants would be needed to enforce the expenditure of the full pension before the expiration of the 30-day limit.

It is estimated that an enormous sum would have to be expended every year for the collection of the tax and for the enforcement of the statute. Deceit, fear, turmoil, hatred, and jealousy would become general, and respect for law would break down at a time when it is most needed.

No doubt some of you are thinking the Townsend scheme is so ill-considered, extravagant, and unreasonable that no likelihood exists of its adoption. May I remind you that millions have signed petitions for its passage; that in many localities public sentiment is so overwhelmingly in favor of it that Representatives in Congress think they are faced with the certainty of defeat if they oppose the Townsend plan. A Nation-wide organization has been formed to work for the passage of the bill, and hundreds of thousands of letters pour in weekly to Members of the Senate and of the House urging enactment of the measure.

Certainly if the gilt which covers the framework of this gateway to a paradise of fools should be removed, the decaying timbers would be exposed. It is unforgivable to hold out the hope to the aged that for no effort on their part they will receive from the Government \$200 per month.

THE LONG SHARE-THE-WEALTH PLAN

Consider now the other gilded gateway to economic paradise referred to in the beginning of these remarks.

Senator Long, of Louisiana, has launched an intensive campaign for the Presidential nomination on an independent ticket. His platform has become known as the "share-the-wealth plan."

From time to time methods for the distribution of wealth and for the abolishment of poverty have been suggested. No plan which pledges something for no consideration can ever prove permanently advantageous.

If we would repeal those provisions of law under which special privileges are enjoyed, income, estate, inheritance, and other taxes could be relied upon to undo the evil that has been done through excessive tariffs and through private monopolies and other forms of favoritism which have contributed to the building up of many great fortunes.

SHARE-THE-WEALTH PLAN

To one who is impoverished and who finds difficulty in earning a livelihood, the suggestion that he be made comfortable by gift from the Government of wealth owned by others is seductive and oftentimes pleasing. But the suggestion is dishonest!

What has caused the growth of communism in many lands during recent years?

The Long plan fundamentally is communistic. It has the approval of many who would not recognize and regard themselves as Communists. Nevertheless, it is closely akin to sovietism, in that it proposes that the Government shall confiscate a large part of the private property owned in the United States. It differs from sovietism in the particular that the property is not to be permanently owned by the National Government, as in Russia, but is to be given away in the form of homes, automobiles, radios, and incomes to those who have not sufficient resources to acquire these comforts for themselves.

CONFISCATION

Senator Long has not reduced his proposition to legislative form. He prefers to keep it in embryo, probably because the difficulties which inhere in efforts to reduce the plan to a legislative draft are so great as to appear insurmountable. The essential features of the share-the-wealth program are as follows:

First, that the Government, through what Senator Long terms a "capital levy", shall immediately seize and become the owner of \$165,000,000,000 worth of property now in private ownership. Understand that the property is not to be actually levied upon, for this would mean, in case of nonpayment, the sale at auction or otherwise of the major portion of all the lands, factories, goods, and chattels in the United States. Since it is not expected that purchasers could be found who would take ownership out of present holdings, the theory seems to be that all wealthy individuals would be required to submit an inventory of what they have, and from that inventory they would be permitted to select three or four million dollars' worth to be retained, the remainder to be taken over by the Government and devoted to uses hereinafter described.

Henry Ford, for instance, would be permitted to keep three or four million dollars' worth of the stock in his companies, and the Government would take the balance. As no distinction is made between industrial and insurance corporations in Senator Long's so-called "analysis" of his plan, recently delivered over the radio and subsequently printed in the CONGRESSIONAL RECORD, the same rule would apply to individuals owning large interest in the insurance corporations. It becomes apparent that the first result would be the breaking up of the major industries and their management, the destruction of going concerns, the discontinuance of

operations, and the increase in unemployment beyond the power of anyone to anticipate or overcome.

It is said by the author that seizure and distribution of all this property could be accomplished without confusion or disturbance; that the task is really very simple and easy; that those who now own great wealth would still be left ample amount for livelihood. A practicable difficulty lies in the fact that the value of the wealth so treated would be so reduced that it would become wholly inadequate for the purposes which the proponent of the plan has in mind.

Second, of the \$165,000,000,000 worth of property confiscated, \$100,000,000,000 is to be used in providing all in need of them with "the comforts of home and living." How this is to be accomplished is explained by Senator Long as follows: "The Government might have to issue warrants for claim and location, or even currency to be retired from such property as was claimed; but all that is a detail not impracticable to get these homes into the hands of the people." Surely one may with propriety add that the foregoing explanation does not clear the difficulties and absurdities which underlie the scheme.

How are the victims and beneficiaries to be chosen? Here is the Senator's answer: "All those who showed (by the inventory) properties and money clear of debts that were above \$5,000 and up to the limit of a few millions would not be touched; but those showing less than \$5,000 to the family free of debt would be added to so that every family would start life again, with homestead possessions of at least a home and the comforts needed for a home, including such things as a radio and an automobile."

It would be interesting to know what other things are deemed essential. Surely food and clothing are more necessary than radios and automobiles.

What is to happen when the automobiles break down and other comforts initially supplied wear out and become useless?

The only answer which the Senator gives is included in the following words which it is respectfully submitted are vague and unsatisfying.

"These things would go to every family as a homestead, not to be sold either for debts or taxes or even by consent of the owner except by the consent of the court or Government, and then only on condition that the court hold it to be spent for the purpose of buying another home and comforts thereof." Thus a hundred billion dollars worth of property would be frozen so that it could not be used in any way in general business. The alleged beneficiaries would have no freedom of action, and would be converted into a class or caste relationship from which they could not escape. No change of residence for purposes of improvement in living conditions could take place except by consent of a court or the Government.

An annual income of \$2,500 is to be guaranteed to the home owners, so that they need not toil diligently, economize, or look out for themselves. In contrast with the Townsend old-age pension plan affecting citizens 60 years of age and over, these annual incomes are to be continued and maintained by what to Senator Long seems a very simple process, his language is quoted: "Now a minimum earning would be established for any person with a family to support. It would be such a living which one, already owning a home, could maintain a family in comfort, of not less than \$2,500 per year to every family."

How is this minimum earning to be established? On this essential point the Senator from Louisiana is silent.

We all know that some succeed in their endeavor while others fail. How is success on a level and uniform scale to be insured to all? Does the proposition mean that if one's enterprises encounter misfortune or if they prove imprudent or foolish, the Government will continue throughout his life to make up the difference from the Treasury in the amount which the share-the-wealth beneficiary actually earns and the minimum earning amount established at \$2,500? If not, how is it to be done? Who is to pay for it?

Here, again, it would be interesting to see the draft of a bill designed to carry out the utopian program on which Senator Long proposes to run for President of the United States.

Self-respecting citizens cannot approve of any policy that denies or stifles their independence. The incentive to provide for themselves and their families four walls and a roof above is itself the very foundation of our present civilization. Take from our people this worthy influence and the economic and social system which we have builded and which far surpasses that of any other civilization, past or present, will totter and eventually disintegrate, and the only equality we will have will be the equality of misery. The nearest thing to Mr. Long's plan from which we may draw comparisons is that of the Russian Soviet Government. Authoritative reports show that millions of people in that country are perishing from starvation and oppression, while the few who administer the plan are enjoying what little fruits are produced by the workers. There they share the wealth, but the trouble is that the few who produce the wealth are living in a state that no citizen of this country would long endure.

It is doubtful that even those who have suffered the loss of their properties during the depression would, on second thought, approve of the share-the-wealth program. They would prefer to depend upon their own efforts to acquire new homes, businesses, and farms, and most of all, they prize that supreme satisfaction that comes as a reward for labors well spent. In order to accomplish this purpose the Roosevelt administration has formulated and developed means compatible with sound economics whereby assistance has been placed within the reach of those who need and desire it.

The Long plan would undoubtedly appeal to some who have never evinced any wish to accumulate property or who have cast about for some scheme whereby they could gain something without working for it. They would not object to the proposal that they take the property of another and convert it to their own use and pleasure, conditioned, of course, that no labor would be required on their part.

Third, a large part of the remainder of the \$165,000,000,000 confiscated by the Government is to be used in providing opportunities for students for higher education in colleges and universities. From page 3438, CONGRESSIONAL RECORD, March 12, the following quotation is taken from Senator Long's speech: "Remember, we have \$65,000,000,000 to account for that would lie in the hands of the United States, even after providing home comforts for all families. We will use a large part of it immediately to expand particularly the colleges and universities of this country. * * * College enrollments would multiply 1,000 percent. We would immediately call in the architects and engineers, the idle professors and scholars of learning. We would send out a hurry up call because the problem of providing college education for all the youth would start a fusillade of employment which might suddenly and immediately make it impossible for us to shorten the hours of labor, even as we contemplate in the balance of our program."

No more working their way through school for ambitious and hard-working students! No more sacrifice on the part of fond parents to provide for their children better opportunities than they themselves enjoyed! No more anxiety as to where the money shall come from! The Government is to provide it in the case of every deserving boy and girl who demonstrates mental capacity to take a college education.

The Senator further states on page 3439: "And how happy the youth of this land would be tomorrow morning if they knew instantly their right to a home and the comforts of a home and to complete college and professional training and education were assured. I know how happy they would be, because I know how I would have felt had such a message been delivered to my door."

No suggestion is made as to how the scheme is to be carried on as to providing home, incomes, or college education for those who are to come into the picture when the remainder of the funds has been exhausted.

The Senator exclaims how happy the youth would be if they knew their rights to a home and comforts and to college and professional training were assured.

One may well ask how great will be their disappointment when they realize that the Senator is sending them on a chase after a bag of gold at the rainbow's end!

Should such a plan appear in prospect of being carried into effect, capital would immediately take flight or go into hiding. Not only the capital of the wealthy but also the resources of those whose holdings would at first be exempt from confiscation. There would at once arise a fear that still further seizure and distribution would be attempted, since there is no economic basis for the limit the Senator proposes. Is not equality in wealth of all citizens the logical end to be sought by such a plan of wealth distribution as the Senator advances?

Utopia was an Englishman's dream of a commonwealth in which all were given to useful toil and none was permitted to enjoy luxuries. New Atlantis was Sir Francis Bacon's phantasy of an ideal commonwealth on an island in the Atlantic Ocean. Campanelli, a priest, dreamed of the "city of the sun", whose inhabitants were principally engaged in the study of astronomy and astrology.

Utopia has become synonymous with the visionary and the impracticable. Sir Francis Bacon's "New Atlantic" remains an imaginary, undiscoverable, and unexplored island. Campanelli, weary of his imaginings and of the inhabitants of his dream city, exclaimed, "Ah, well, they astrologize too much!"

The share-the-wealth plan has been approved by many, to whose attention its vagueness and impracticability have not been called. One renders no service by misleading credulous people to believe things that are fanciful, far-fetched, and untrue. In the end they will realize his duplicity and will recognize the deceit that has been practiced upon them when the fragments of their shattered hopes have been enveloped in despair. These remarks may be appropriately concluded in the words of Shakespeare:

"And be these juggling fiends no more believ'd,
That palter with us in a double sense;
That keep the word of promise to our ear,
And break it to our hope."

ST. PATRICK'S DAY ADDRESS BY POSTMASTER GENERAL FARLEY

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD a very able address delivered by Postmaster General James A. Farley before the Friendly Sons of St. Patrick in Albany, N. Y., on Saturday evening, March 16.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I am aware that on this, the day we celebrate, it is an almost hallowed custom for a speaker to dilate on the glories of being an Irishman. It is particularly incumbent on those who address you on St. Patrick's Day to dwell on the great service men and women of our race have rendered our Nation; how much you have done for it and how thickly its history is studded with the

stars of the achievement by the men of Erin. Now, let me, just for a change, vary that topic a little and consider what this country has done for us, and instead of dwelling on the obligation America owes to the Emerald Isle, permit me to devote a few minutes to what we owe to America.

Like every other race that makes up our population our ancestors came here in search of liberty—religious liberty, political liberty and freedom, to work out our own destinies and gain the natural rewards for what we have of brains, industry, and ambition. Those of our blood who have attained eminence and success in the United States did so because they were not hampered or trammelled in their efforts. So, it seems to me that the obligation is rather for us to be grateful for what this land has given us, than to consider what we have given in return for that priceless boon.

Never has America called to the patriotism of our people in vain to do its part in a time of national stress. No blood has been shed more generously than Irish blood on the battlefields where America has fought. There is glory in that thought, but what I wish to impress on you now is that the war front is not the only place where duty calls and honor beckons. We are today in the midst of a crisis, as grave or graver than any in America's history. The crisis is no less acute because it is not accompanied by the shock of armed troops, the throbbing of the drums, and the waving of the flags. And it is up to us to carry on the tradition of those who rallied to our country's cause when the Nation struggled to be born, when it fought to be preserved, and when it resisted foreign aggression.

Some of you may be confused by the volume of words that have come from both in and out of Congress. I will admit myself that the smoke is pretty thick at times. We hear the reckless discussion of intricate problems that have plagued humanity ever since civilization began, and we have the bragging of those who affect to be able to provide a remedy for all our ills by waving a magic wand. Many of our present-day orators have the support—either openly or covertly—of the political opponents of the administration for every proposition, however harebrained it may be, that seems to promise difficulties for our President. I would like to blow away some of that smoke and show you just what is going on, why it is being done, and where it is getting us.

I need not tell you that when this administration was given a mandate to rescue the Nation from the swamp of depression, the whole fabric of government seemed to be on the verge of collapse. Banks were toppling, credit was gone, business was at a standstill, factories were either completely shut down or were limping along on part time, millions of unemployed were walking the streets, with nobody taking thought of them. Farmers in their desperation were threatening the cities with starvation in their efforts to force a living price for their products, and bootlegger gangs generated by national prohibition were terrifying the country with their private wars. In any other country but this the situation would have meant revolution. Then came to the White House Franklin D. Roosevelt with an orderly constitutional plan. He straightened out the banking situation almost overnight, and the country caught its breath with the restoration of confidence and credit. Congress gave him the necessary power to set up machinery for the restoration of business, and the gradual elimination of wholesale unemployment, as well as a system to make it possible for the farmer to live, and therefore insure the national food supply. Under his leadership the eighteenth amendment was repealed, and the Department of Justice, through laws he caused to be enacted, is wiping out criminal gangs one after another. Then patiently he undertook the rest of his great task.

Perhaps the program was not perfect; it could not be where the emergency was so great, and haste so necessary, but it worked. I need not go further than to ask you to compare your own state of mind today with what it was in the early months of 1933, to decide whether the President's program has not been successful.

Now the whole question before the country is whether this plan that has advanced us so far on the road back to prosperity is to be continued or to be interrupted, if not abandoned. No alternate plan that bears the faintest shadow of being practical has been advanced by those engaged in the enterprise of trouble making. Of course, I know, and you know, that there are all sorts of harum-scarum ideas of dividing up the wealth of the country, or providing allowances for elderly people in amounts that would bankrupt the Treasury and other schemes that would totally wreck the whole theory of our Government. They vary only in degree from what has been preached by anarchists and Communists all through history. I won't attempt here to deliver a lecture on the economics of wealth, but I will leave it to your own good, Irish common sense to realize that money cannot be money if it is not worth anything and that wealth in property form becomes valueless if it cannot be used. The finest skyscraper in the whole United States would be worth just nothing in the midst of an uninhabited desert. The most profitable factory in the world would be just a white elephant unless people had the means to buy its products. The most productive farm in all our fertile area would be just so much waste land unless it were part of an orderly system of production and distribution.

In a period like that from which we are now slowly emerging such schemes as I have hinted at are bound to have an appeal to the desperate, the hungry, and the reckless. But this does not make them any more practical.

On the other hand, no civilization is worth while that ignores the right of any citizen to an opportunity to make a decent living.

Some system must be acted on that will give every man and woman capable to work a place in the social structure where he can get the full value of that work. Where there is no work to be had, inevitably the burden of supporting the unfortunate individual falls on the community at large. Franklin D. Roosevelt, casting a prophetic eye ahead, said during the 1932 campaign, "as to immediate relief, the first principle is that this Nation has a positive duty that no one shall be permitted to starve." He has never lost sight of that thing. When State, local, and private action failed to meet the terrific problem of destitution during 1933 and 1934, the President courageously launched a tremendous program—tremendous for peace time, though insignificant for war time—a program which will help men and women to preserve their self-respect and earn bread for their children.

The bill now before Congress, about which so much commotion is being raised, means simply a carrying on of the President's program. The measure may not be a hundred percent perfect. Indeed, some of its provisions were conceived especially to correct faults and errors that actual experience have revealed. Undoubtedly in the multitude of people that are now on the relief rolls there are some who have no business there, some who could get along without a Government dole, and some shiftless ones who would rather take what is handed them than to hustle for their living. It is to correct this state of affairs, if it exists, that the President devised the measure now before the National Legislature. He wants a large amount of money for public works, and he proposes in these enterprises to establish a wage schedule which, while sufficient to provide the actual cost of human maintenance, shall be so small that no workman or working woman who can get a job in private industry will be tempted to remain in a Government job. That sounds like good sense to me, and I hope it does to you. There is no thought of cutting down the regular wage scales. What is frankly contemplated is emergency work that will keep some millions of people out of the bread line until such time as private industry is able to absorb them. It must be largely work of a character that would not be done at this particular time if we were not confronted with the problem of a vast army of unemployed.

The next question on this subject about which there is controversy is who shall allot the projects and the jobs? The charge has been made that the President could use the relief-work fund for his own political advantage—a strange charge to emanate from those who would reserve to Congress the allotment of these projects. Even if Franklin D. Roosevelt were the kind of man who would traffic in the misery of millions of people for his own personal advantage—a charge so monstrous that even his opponents have said that he could, and not that he would, be guilty of such treason—it could not be done. For if the Democratic administration pampered one section of the country and let another section starve, it would sink itself so deep that there would not be another Democratic administration as long as the memory of that hideous injustice remained.

And what is the alternative to the administration of the relief funds by the President? That it should be left for Congress to determine. In other words, that instead of a prompt beginning of the work where the relief was most needed, every project would be the subject of debate among 96 Senators and 435 Congressmen. Can you visualize what this would mean in the way of logrolling and the "pork barrel"? The Congressman from Maine could not get a harbor improvement started unless he agreed with the Congressman from Arizona that that State should have a bridge, or a dam, or whatever it wanted. And so on the country over. It would mean that those on the dole would stay on the dole until each delegation in the National Legislature got what it wanted for its own particular constituency. I recognize that it is a Congressman's duty to look keenly after the interests of his own people, but the national welfare must come first. And it would not come first if the relief was cut into a thousand political footfalls to be kicked around from one coast to the other. We have many fine, high-standing, conscientious men in both the Senate and House of Representatives; men incapable of such a procedure as I have outlined.

But even these would be powerless to stop the whirlwind of logrolling that would be the inevitable consequence of the defeat of the President's relief program.

Perhaps you may feel that I am painting an overgloomy picture of our national situation. If so, let me assure you that I have been taking only the high spots in conditions of today. I know that my audience has faith in the President of the United States. I hope you will make that faith known, so that it might be impressed on the officials you have elected, and so make them also militant in the support of the President in the stupendous job he has on hand.

Actually we are getting along pretty well compared with the rest of the world. If you read the papers, you must know that business is picking up and that industry is moving as it did not move for years. I noticed the other day that a great packing corporation thought the time propitious to refund its obligations with an issue of \$43,000,000 of 3-percent bonds. I noticed that a day or two later Henry Ford had enlarged his plant and was going to build a million cars this year. I noticed by the Commerce Reports that retail trade everywhere is showing a fine improvement.

Now, the depression is still with us; we have not put two cars in every garage. In fact, we have been very happy to have chickens kept in the garage so that men may not go hungry. Two weeks ago the Secretary of Labor reported that 2,500,000 men had been put to work since March 1933, and the weekly pay roll increased by \$80,700,000. That is no inconsiderable achievement, but we might as well forget about it and put our shoulders to the task of putting the millions of those still unemployed back to work. Our farm

income has gone up from \$4,371,000,000 in 1932 to \$6,163,000,000 in 1934. And as wages increase, farm income will increase.

Now, I am not here to bore you with a list of figures this evening. What I wish to assure you is that President Roosevelt and those associated with him are going down the line with all the power they have, and they will continue to do so until the unemployed not only have jobs but feel secure in those jobs, and in that feeling of security can look about them to enjoy the benefits of living in our magnificent country.

We are not chasing prosperity around the corner all the time, because we have been too busy in the task of keeping millions of people from going over the border line of poverty. Nor are we listening to defeatists who prattle of revolution.

Of course, if you have read the editorial comments of some of the publications politically adverse to the administration you might get a different picture. But turn to the news columns and see how greatly at variance they are with the editorial views. This is still the greatest and best country in the world. Let me be specific. Last year I traveled through Europe. Every few hundred miles I had to haul out a passport and submit to an inspection. And then I thought of traveling in an airplane from Boston to New Jersey, or to San Francisco, without red tape, without learning a new tongue every few hours or getting my money changed into a different coin. Here we have in these United States 48 sovereign States working together in a federation that is the greatest achievement in political science known to history. It is so fine, and we are so used to it, that we take it as a matter of course.

What makes America, with all its distress and poverty at the present time, still the greatest nation under the sun? There is something in the minds and hearts of all Americans that is bigger than loyalty to any party, something that has in the past, and will in the future, stir Democrat and Republican, Catholic and non-Catholic, learned and unlearned, to work side by side as soon as the war cry is sounded—"America needs you!" That quality of soul is a genuine love of the land and the people among whom Providence has placed us. We can assume that it is a part of the divine strategy that a man should love above all creatures his own country and his own people. The sorrows of recent days should merely challenge the romantic and virile qualities in the soul of the American.

There are many angles of that genuine love of country which I might discuss tonight. One distinctive aspect, as I see it, is the love of fair play for all. Another is courage in the face of adversity. Terence McSweeney, the Irish patriot, once wrote, "We must get men to realize that to live is as daring as to die." Possibly that is one lesson that the sufferings of the past 5 years should teach us—to live is really as daring as to die—if that life be devoted to justice and a square deal for all men.

The man who is today the symbol of the ideal of fair play for all is Franklin D. Roosevelt. Four months ago the people of this Nation gave the President a vote of confidence such as was never before received. I envy Franklin Roosevelt one thing: That when he emerges from the White House he will have the recollection of whole-souled, unselfish cooperation and support from the American people such as no other President ever had. Yes, we live in a great country. And those who have helped in standing by the President in the hour of urgent need, Republicans, Progressives, as well as Democrats, men and women of all parties, and patriotic, independent Americans regardless of party, will share that splendid recollection. That, I think, is a good thought for Saint Patrick's Day—or any other day.

EXTENSION OF N. R. A. ACT

Mr. WAGNER. Mr. President, I ask unanimous consent to have printed in the RECORD an open letter published in the New York Times of today, addressed by a number of small-business men to the Congress of the United States, asking the renewal of the National Industrial Recovery Act.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times, Friday, Mar. 22, 1935]

To the Congress of the United States of America:

We are some of the small-business men of the country who address you in person and ask you to renew the National Industrial Recovery Act.

We have not authorized the Curlees on the one hand nor the Darrows on the other to speak for us and do not consider them qualified to do so at any time.

The Industrial Recovery Association is composed of large clothing manufacturers. It will be interesting to note that three names—that is, Curlee, Schoeneman, and Grief—that appear on their letterhead under column entitled "Officers" employ more workers than the first 300 names appearing below. This association, of which S. H. Curlee is president and F. M. Curlee is general counsel, at public hearings in Washington in July 1933 demanded in a printed brief the complete extinction of the "owners of small scattered shops" who "operated . . . on a minimum of invested capital." They have "created a competitive condition grossly unfair to those established manufacturers" who "assume the burden of stable investments."

This very same association and their very same mouthpiece, assisted by paid lobbyists, now raise pious voices in behalf of the small-business man.

We have an abiding faith in our Government and its institutions. We have an abiding faith in the judgment and integrity

of our lawmakers. We earnestly pray to you in behalf of our families, in behalf of the preservation of our institutions, which we cherish, that you renew the National Industrial Recovery Act, so that we and our families, and the workers in our shops and their families, may not again be thrown on the bread lines, from which many were rescued by the enactment of the National Industrial Recovery Act.

Most respectfully,

Baltimore, Md.: 73 establishments, employing from 20 to 175 workers; average per establishment, 50 workers. Names of employers: P. J. Adams, T. Arcilese, J. Benesch, H. Berlin, Berman & Sapperstein, A. Bradunas, Buschoff & Gordon, B. Cohen, V. Coruzze, J. Dragonis, Dvorak Bros., G. Gabriel, A. Janis, F. Mercaldo, H. Oscheroff, S. Levin, Perry Talvacchia, C. Piccinine, K. Pikis, A. Rakowsky, V. Razauskas, Sapperstein & Nasura, A. Shapiro, Sisco Abelson Smuckler, Uginsky & Adams, United Tlg. Co., A. Uzmed, J. Yoncha, Youch & Youch, Albert & Lesser, H. Berman, H. Baddock, M. Baer, L. M. Bressler, A. Contract, M. Dembroski, H. Engel, E. Epstein, H. Gold, Hyman & Cohn, M. A. Katzen, L. Leiderman, T. Magowski, M. Mandel, J. Morawski, H. Millman, J. Molofsky & Sons, E. Paul, A. Press, P. Rosenberg, S. Rubin, W. Samett, H. Sherr, H. Skolnick, P. Sojka, J. Taylor, L. Weber, W. Altschul, Astrin Bros., Blum & Pomerantz, H. Bass, M. DeGiorlamo, M. Friedman, S. Gorn, L. Klavens, S. Leavey, Leon & Skulnick, J. Messick, A. Moscovitz, M. Rosinsky, M. J. Scheurich, Smith & Valls, N. Tenainow.

Boston, Mass.: 23 establishments, employing from 18 to 100 workers; average per establishment, 48 workers. Names of employers: Allen J. Broide, F. Cohen Bros., S. Cohen, Covitz Bros., E. Dantovitz, I. Fein, M. Finkelstein, D. Glazer, H. Kaufman & Marcus, Lourino Bros., Leone G. Lipson, A. Newman, M. Plotinsky, R. Lucas, P. Rich, F. Richman, L. Risman, M. Shinis, J. Schiller & Brown, Skertson B. Soloway, Haizel Tarantino, A. Weiner, N. Wyman.

Cincinnati, Ohio: 18 establishments, employing from 6 to 125 workers; average per establishment, 45 workers. Names of employers: Peter Blum, L. Gerriz, F. McGrath, Nick Carravillans, Hessler Tir. Co., Dave Soal, E. Dieckmann, A. Hochscheid, Trotto & Delicave, Leo Dirr, Kreis Bros., George Wirth, Jos. Esselman, A. Korelitz, Dave Ostand, George Friesz, John Lauerman, Anton Link.

Chicago, Ill.: 93 establishments, employing from 10 to 120 workers; average per establishment, 41 workers. Names of employers: E. Abruzzi, A & B Pants Co., P. Allevato, Anderle Bros., Armatos Pants Shop, Vito Bagnuolo, Bell Pants Co., J. Bennett, I. Berger, Berger & Ragofsky, Berkowitz & Goldman, B. Biegel, C. Bohatec, Frank Boucek, L. Bruno, Andrew Bulka, Bulka & Co., Buonamici & Delbello, Romeo Calvares, Chicago Pants Co., City Coat Makers, Coat Makers Corporation, Cooperman & Shifress, J. Cosentino, Sam Cosenza, Czuba Bros., N. A. Davis, Devere & Fumo, M. Diamond, Economical Pants Co., J. Ehrenschaft, Elmwood Tailors, H. Eminger, Excel Coat Makers, Friedman & Becker, I. Goldberg, J. Gooder, Guaranteed Coat Makers, Henry & Janovity, Henry Trouser Shop, Herbstman & Haltzer, Herman & Rosenthal, Independent Pants Tailors, Frank Jacobson, M. Johnson, W. Kahn, Isaac Kelpak, Kosky & Karon, J. Koss, Ben Levy, Ike Lewis, J. Lobello, W. Lomnicki, Sam Lopschitz, Mandelson Bros., Mansowitz & Carman, M. Markin, Mitelli & Sacks, Modern Clothing Manufacturing Co., Modern Coat Makers, G. Montinelli, Joseph Morozoff, O. Opletal, Peterson, Carlsen & Halquist, J. T. Peterson, A. Piemonte, Roosevelt Vest Shop, Rosen Bros., Rosen & Kosover, Schatz & Lewis, Schwartz & Marro, Service Coat Maker, Shafer & Swesnik, George Shapiro, Shepherd Tailors, Siegel & Siegel, S. Silverman, John Sima, Frank Spevak, State Vest Shop, Fred Strauss, Turman Pants Co., J. Tiapa, U. S. Comtoms Pants, Vesecky Bros., A. T. Vikander, Louis Vondreck, Vyleta & Ruzha, Frank Wilcek, Yagodnik Pants Manufacturers, K. Zalewski, H. Zuckert, Zipperstein & Leavitt.

New York City, N. Y.: 458 establishments, employing from 8 to 240 workers; average per establishment, 59 workers. Names of employers: A & G Clothing Co., Abbatte Coat Contg. Co., Abraham Bros., Sol Adamo, Admirable Contrs., Inc., S. Advocat, Ajax Cont'g Co., Alabama Clothing Co., Aleprondo & Pagano, Alvaro, R., Amsel & Frand, D. Andreana, Ankuta, Zwariko & Zuewsky, Appleman & Scopinsky, Augunas & Co., B. & B. Pants Co., B. & G. Clothing Contrs., B. & Z. Clothing Co., Barbano & Co., Bastchuck & Dobzetski, M. Becker, Bel-luck & Fisher, Berger & Kaminsky, Bergman & Hyman, Berland & Feit, Bezman, Zalts & Suskowitz, P. Bloise, Blum, Orlich & Stevenson, Bridge Tig. Co., Broadway Clothing Corporation, N. Brodin (Jefferson Coat), C. Brodsky, Brooklyn Vest Co., Brown & Markowitz, E. Bonnell & Co., M. Brust, V. Bucarro Bros., Burstein & Gumer, Buscemi & Scimonelli, Buskwick & Co., C. B. C. Coat Contrs., Cacciatore, V., Calabria & Son, Caress Vest Shop, Carroll Coat & Vest Contrs., Casale & Bro., C. Celnick, Central Pants Corporation, Ciporin Bros. & Chopkowitz, B. Cohen & Son, Cohen Bros., Nathan Cohen, Reuben Cohen, Cohen & Rubenstein, Cohen & Eisenberg, Cohen & Schneider, Colosanto & De Maio,

Inc., Commercial Tig. Co., Congelosi & Alongi, Constantino, J., Cusati, D., D. & D. Coat Makers, Philip Dann, Davis & Fishman, Dekwill Clothing Co., De Leo & Sons, U. D'Elletto, Albert Del Viscovo, C. DeStasio, De-Vincenza & Yula, Dewey Clothing Co., Di Gualomo & Co., DiGiovanni Bros., DiMera, A., DiPleco, Perneti, & DeCesare, Dirzis & Armak, A. Duboff, Dubofsky & Novick, Dunay & Pollack, J. Durst, Eagle Pants Co., A. Eckhouse, H. Elstein, Sol Ettinger, M. Evangelist, Inc., F. S. & W., M. & S. Federico, P. Federico & Co., Feigert & Landesman, Feinman-Frand Co., Louis Ferber, Ferraro Bros., S. Finkelstein, F. Fisher, Fogel & Silver, Fortgang & Sank, Fourwheel Coat Contrs., Inc., Frazzitta & Freilich, I. Fried, S. Friedfert, M. Friedman, L. From, A. Fromberg, Frommer & Weisgrau, G. & D. Manufacturing Co., G. & M. Pants Co., J. Gaimari, H. Ganz, Gelberg Bros. & Hirsch, General Tig. Co., S. Giordano, L. Giovino, A. Goldberg, S. Goldberg, Goldberg & Horowitz, Golden & Son, Goldman & Son, Goldstein & Amedio, Gordon Coat, Inc., Greenblatt & Diamond, Greene Tailors, Greenhut & Radwin, Greenspan & Lasher, Joseph Gross, H. Grossfeld, Grusha Bros., Gulant & Maslin, Gusotzkis & Siventovaitis, H. & S. Vest Co., Harlem Pants Co., Harrison Clothing Corporation, Henner & Meyers, Hornig & Blei, Hy-Grade Coat Shop, Inc., Ibla Pants Co., Irwin & Lazarowitz, J. & J., M. Jacobs, Jacobs & Feldman, Jaffee & Uhrlang, Jasphy & Schoenfeld, Jefferson Vest Co., Jonas & Satofsky, D. Joselow, Joseph, Klotz & Resnick, Julian Clothing Co., Junius Clothing Contg. Co., K. A. W. Clothing Co., K. M. R. Clothing Co., J. Kaiser, Kanner, Karp & Gisser, S. Karvelis & Co., Kasper & Karol, Sam Katz, Kaufman & Hoffman, Kaupas & Budraitis, Kieve & Solomon, J. Kevitz, Kimmel & Hertling, Max Kirmayer, B. Kotkofsky, Kotler & Wolf, Kott & Dubianowicz, Krause Bros., Morris Kreseloff, Kronenberg & Weiss, Kulick Bros., L. & A. Clothing Co., L. B. Trouser Co., L. & F. Pants Co., Marco La Barbera, L. Lablento, Ph. Lamb, J. Lampner, J. Landau, Lapash & Co., D. Lapayower, Lauterstein & Markman, Leder, Walofsky & Hollander, S. Leicher, Lerner & Greene, D. Levine, Harris Levine, Morris Levine & Son, Levnat Clothing Contrs., Inc., S. J. Levy, Levy & Munder, Levy & Rosenfeld, J. Lipman, Litzky & Itzler, Lozousky & Karonik, A. Ludwinsky, Lukevich & Selewonchik, Luna Clothing Co., Madewell Pants Co., Maduri & Co., Maltz & Maltz, Ben Sobel Co., Inc., Sokol, Ruck & Cohen, Solomon, Goldstein & Portnoy, Solomon & Kosak, Spector Bros., Spilton Bros., A. Spring, R. Sprung, Star Coat Makers, Stauber & Schweitzer, Stillerman, L. Strassberg, Sucher & Lerner, Sullivan & August, Supreme Clothing Corporation, Supreme Coat Makers, Suydam Pants Co., Taravella Bros., Teitler & Auster, Thirfield & Hirsch, Inc., Three Mark Coat, Inc., N. Traviglia, E. & L. Trotner, Turkeltaub, Meyer & Yadofsky, Two G's Coat Shop, Varet Pants Co., Varnis & Brusak, Vitale & Federico, Victory Tig. Co., H. Vogel, Waigun & Matulis, Waldman & Kellner, Wasserman & Gimbel, Wasserman & Kotak, M. Weschler, Weinberger & Riger, Weiner & Feldman, Weinman & Klein, H. Weinstein, D. Weiser, S. H. Weiser & Son, Weisinger & Weitzenbluth, J. Weiss, Well Tailored Clothes, Inc., Werfel Corporation, J. Winter, Wolf & Manellis, Woodbine Borough Clo. Co., Yohalem & Shapiro, S. Wolinsky, Uskevich, Yasus & Patap, Zagare & Caminiti Co., Inc., Zalewski & Ribas, F. P. Ziegler, Zimmerman & Wolf (Ridgewood Vest), Zillinsky, Stankewitzsky & Wyshruft, Zvariko & Samenka, Atlantic K. P. Co., S. Alexrod, M. Bernstein, J. R. Blandi, Blecker Manufacturing Co., N. Bonies, Bernstein & Chibnik, Chatham K. P. Co., Inc., Cohn's Clo. Co., Inc., Cortlandt K. P. Co., East Broadway K. P. Co., Mercer K. P. Co., Middletown Knicker Co., National Knee Pants Co., New Brighton K. P. Co., Osborn Pants Co., Pacific Knee Pants Co., R. & S. Mfg. Co., Richmond Knee Pants Co., Rim, Isidore, Rosebank Pants Co., Rosenblatt, I., Rosenthal, Abe, Royal Knee Pants Co., Scadell & Fusco, Schmookler Mfg. Co., S. & B. Pants Co., Seltzer, Lazar, Simon & Finkel, Singer & Levine, Smart Set Mfg. Corp., Spina, Frank L., Stanton Knee Pants Co., Elizabeth K. P. Co., Ettinger & Seltzer, Farro, Ch., Inc., Finkel, Nathan, Geller, Morris, G. & H. K. P. Co., Giarratano, Ch., Gramer, Joseph, Greenberg, Harry, Handelsman, M., Hudson Pants Mfg. Co., Sternlieb, Louis, Teitlebaum, I., Treiber, H., & Son, Umansky, Sam, Uniform Made Trouser Co., Washington Knee Pants Co., Weissman, D., Weiss & Curatola Pants Corp., Weiss Clo. Co., Inc., Williamsburg Knee Pants Co., Woodbine Borough Clo. Co., Inc., Woodbine Clo. Co., Inc., Zamore Bros., Fenichel, David, G. & W. Pants Co., Inc., Gottesfeld, P. H., Pants Mfg. Co., Gottsegen & Kaufman, New Haven Pants Co., Independent K. P. Co., Kassner Bros., Kaufman Bros., Klar & Schiller, Kramer, Broky & Co., Krasner, M., La Fata, G., Lafayette K. P. Co., Levy & Feinman, Levy, Max, Levy, Morris, Bangor Clo. Mfg. Co., Bangor Pants Co., Beldier, G. R., Coopersburg Clo. Co., R. M. Crouthamel, Drissel, Allen S., Eastoh Trouser Co., Eyre, Frank, Felman Pants Co., Fishman & Marion, Kasover, N., Lutz, C. L., Maurer, H. D., Modern Pants Co., Northampton Pants Co., Inc.,

Orlitsky, Herman, Pennsburg Vest Mfg. Co., Specht, P. A., Strongwear Pants Co., Strouse, E. Webster, Supreme Pants Corp., Mandelbaum & Konner, Manhattan Pants Co., Mann & Greif, Marco & DeLuca, F. Marino, Melville Coats, Inc., Messina Bros., H. Myerson, Mezlis & Shimaltis, Miller & Kaplan, Max Mirsky, Mitchell & Karis, Moda Coat Co., Modern Clo. Co., G. Mondshine, Montalbano & Son, Monteleone & Adama, Morriassano, Frank, A. Moskowitz, Myrtle Vest Co., G. Naclerio, S. Newman, New York Coat Tlrs., Nunziante, Mike, M. Oberlander, Harry Ost, Orlifsky, P. J. & S. Coat Makers, P. & S. Tig. Co., Pacific Clo. Co., Pack, Schneider & Teitler, Frank Palma, Angelo Pascale, D. Passarello, Pastore & Son, J. Pastor, Pensack Bros. & Krishenbaum, Perlman & Levine, A. Perlovitz, Persico Bros., Petrone & Gaudiano, Pipitone & Gutstein, Pivar & Feldman, Plotzker & Stellar, Polito & Menta, G. Ponti, Popular Clo. Co., F. Shikler, M. Shott, H. Siegel, M. Siegel, Siegel, Block & Balofsky, Siegel & Krantz, Silberstein & Yanofsky, Silverstein & Fishman, R. P. Clo. Co., Radel & Lasio, Randozza & Atria, R. Rea, Frank Reggio, J. Reiss, G. Restivo, Wm. Rini, B. Rodkevich, S. Rodman, M. Rosenberg, Rosenberg-Sweet Co., H. Rosenkrantz, Roshkind & Karpeschuck, Rossi Bros., Roth Bros., Roth & Fisher, Rothman Pants Co., Morris Rozin, Rubin Bros., Rubin & Wolinitz, S. R. S. Coat Makers, S. Z. & F. Co., Sabel & Schapps, C. Sabione & Co., Sadowsky & Zarnowitz, Saft & Brog, Sakowitz & Adler, B. Saltz, Vincent Santoro, S. Savitsky, Sazeler & Smith, J. Scala, Schaikowitz & Scherr, Schifter & Skonik, Schindlinger & Cohen, Schoenberg & Lenoble, A. Schoenfeld, Schreier Bros., Schreck & Blumenreich, B. Schwartz, I. Schwartz, Schwartz & Gaucher, Scientific Coat Contrs., Scuirba & Domandi, C. Seidenfrau, Louis Shafel, J. Simen, Simenitzsky, Klannis & Krlowich, Simon & Fisher, Simon & Palefsky, Skillman Pants Co., Max Slonimsky, Julius Smith, S. Smith.

Newark, N. J.: Fifty-six establishments, employing from 25 to 110 workers; average per establishment, 44 workers. Names of employers: Academy Tig. Co., Addonizio & Colarusso, Bibona & Pilone, Bozza Bros., F. Cainello, Caprio Bros., Central Tig. Co., Contaldi & Biondi (Well Built), D'Alessandro Bros., Orazio D'Alessandro, E. Deangellis & Co., DeFronzo Bros., Delton Tig. Co., A. DiFerdinando, DiPoala & Co., Eaton Hall Coat Mfg. Co., Essex Coat Mfrs., Inc., Fashion Shop (Scoppetulo), Fleisher & Notkin, Joseph Genovese, Gesten, Goldberg & Yanowitz, Giacobbe Bros., Giorgio Bros., S. Goodman, Greenberg & Goldstein, Guarantee Coat Co., Inc., N. Guritzsky & Son, Hoboken Coat Mfg. Co., Hochberg & Gabel, Hudson Clothing Co., Iannelli & Giorgio, Inc., J. & S. Pants Co., Jean Coat Co., Kleinwachs Bros., Kovitz & Gottesman, Angelo Lauro (Royal Coat), S. Lenzo Tig. Co., Levy-Florida, Livingston Coat Mfg. Corp., Ralph Longo, Marinaro Bros., Nick Mercuro & Co., Milton Tig. Co., Inc., Modern Coat Co., Inc., Morris Vest Co., Newark Clothing Co., Peerless Pants Co., Polo Clothing Co., A. Posella, Peter Prestera, Santoro-Solomine-Santoro, Skoloff & Epstein, Spiotta & Co., Surdi & Sons, Varsity Clothing Co., D. Warshawsky & Sons.

Passaic, N. J.: Thirty-five establishments, employing from 32 to 230 workers; average per establishment, 100 workers. Names of employers: American Clothing Co., American Trouser Co., Arrow Clothing Co., Arrow Pants Co., Bayview Pants Co., Bernstein Bros., Best Make Clothing Co., Capital City Clothing Co., Clifton Clothing Co., DeGraci Vest Co., Fashion Vests, Morris Feldman (Lakeview), G. M. G. Clothing Co., Garfield Pants Co., Frank Garruto, Ledgin, Dickerman & Ledgin, Lodi Pants Co., London Vest Co., Malcolm Trouser Co., Mausner Trouser, New Fashion Clothing Co., Perfect Vest Co., Pestcoe Mfg. Co., Rahway Vest Co., Reliable Clothing Co., S. & E. Clothing Co., John Savage, Standard Trouser Co., State Trouser Co., Stein-Roy, Inc., Supreme Pants Co., Tri-County Pants Co., A. Tuminella, U. S. Clothing Co., Universal Vest Co.

Philadelphia, Pa.: Ninety-seven establishments, employing from 21 to 210 workers; average per establishment, 45 workers. Names of employers: Brand & Lemonick, Ephraim Brownstein, Cancelli & Desiderio, Nicholas D'Alonzo, Mich D'Onofrio, Israel Farbman, Nathan Feldman, Morris Finkel, Anthony Gattone, John Irvin, Jaffee & Marcus, P. Keiser, A. Marino, J. Machalovsky, A. Orlando, John Paladino, Paramount Coats, Cherubino Petti, Vincent Pusinkas, Quality Coats, Guilio Ranieri, Mario Ranieri, Nich. Ranieri, Harry Rosenfeld, Weiner & Brodtkin, Sigman & Horowitz, Simon & Mellitz, Surefit Manufacturing Co., Samuel Tobias, Watman & Cohen, M. Wesotsky, Independent Coat Shop, Berkay Clothes, Inc., Stanley Skukoski, A. Menkus, Charles Wasielewski, Michael Mathietus, William Muraskus, A. Jacobs, Louis Feingold, M. Apfelschnitt, Bergelson-Sterin, A. Eisenberg, Fine Pants, Forman-Shulik, Joseph Giachino, H. Gold, Kahn Bro., Katz & Goldman, Orlitsky-Magerman, Riverside Pants, Philadelphia Pants, M. Rothberg, David L. Wilder, Willig-Eisenberg, Zitomer Bros., Michael Corso, Shore-Lichten, H. Bafsky, Baron Bros., Barris-Pincus, Feigelman & Flashner, Isadore Pincus, I. Greenberg, Eskin-Hoffstein, William Kaslow, Samuel Kress, Kress-

Gross-Bellak Bros., I. Laskin, A. Lerner, Martel-Goldberg, Posner & Savitz, Miller & Jacobs, Shore-Cutler-Katz, Shapiro-Frank, Superior Quality Vest, Samuel Weiss, Rosenfeld-Goldstein, A. Bischoff, D. D'Cristophara, Emedia D'Gaetano, Tito D'Giacomo, Joe DeRitas, Vincent DeRitas, Joe Giordano, Andrea Guarachina, Lewis Moccia, John Monetto, Novelty Buttonhole, Novelty Guido Carideo, Rochester Buttonhole Co., South Philadelphia Buttonhole Co., Stile Co., Chas. Travaglini, Alex Yanni, Philadelphia Buttonhole Co., Felix D'Arenzia.

Vineland, N. J.: Fourteen establishments, employing from 40 to 132 workers; average per establishment, 70 workers. Names of employers: B. & G. Pants Co., J. Barse & Co., A. DeRossi & Sons, DiDonati & Beitch, Enterprise Clothing Co., Landis Clothing Co., Model Coat Co., Royal Pants Co., Shapiro Clothing Co., Henry Sorg, Stan-Lou Corporation, United Pants Co., Inc., Vineland Vest Shop, M. Waldman.

WASHINGTON AIRPORT

Mr. GIBSON. Mr. President, I ask unanimous consent to have printed in the RECORD two short editorials with respect to the Washington airport.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[Editorial in the Washington Post, Mar. 16, 1935]

SURPRISES MAY BE UNPLEASANT

Congressman RANDOLPH's promise of a report on the local airport bill early next week, after several years of delay, is gratifying to a city which keenly realizes the makeshift condition of its present facilities in this field. Members of the subcommittee headed by Mr. RANDOLPH are said to have agreed unanimously that the District should have a municipal airport. Satisfactory arrangements to finance such an enterprise appear to have been worked out. Only on the question of selecting a site does the attitude of the committee seem to be dubious.

In this connection the statement of Chairman RANDOLPH that his committee may bring forth a "surprise report" carries ominous implications. Active study of sites available for a municipal airport has been under way here for at least 10 years. During that time virtually every plot of open ground large enough to serve as a landing field within reasonable distance of Washington has been investigated. By a process of elimination all of these proposed sites have been discarded, except Gravelly Point and the existing Washington airport.

If the subcommittee should be inclined to throw overboard all of this preparatory work and recommend the improvement of an entirely new site that would be less suitable as a permanent airport, its report had better be withheld. The amended Smith bill, calling for the development of Gravelly Point, has the approval of the District Commissioners, the National Park and Planning Commission, the Board of Trade, and various civic and aviation groups. As an alternative to Gravelly Point, an improved Washington airport has numerous advocates. To sponsor a third proposition would solve nothing, but only protract the controversy.

Large projects of this kind simply cannot spring full-fledged from a congressional committee meeting. It would be a waste of time even to consider a plan that would not elicit active co-operation from District authorities and the Park and Planning Commission. As a matter of general principle, therefore, the committee ought to steer clear of surprises and concentrate upon the relative merits of plans already worked out, unless there is some unrevealed and highly compelling reason for beginning the study of airport sites all over again.

[Editorial in the Washington Evening Star, Mar. 19, 1935]

THE AIRPORT MENACE

Somewhere a group of innocent American citizens may be awaiting a horrible death to prove that Washington needs an adequate airport.

This group may number from 5 to 15 men and women. Today they are engaged in the pursuit of their affairs. They have their joys and their sorrows, their daily grind, and their moments of relaxation. They live.

But aviation people feel that if Washington does not do something about its airport there is going to be a terrible accident. They regard it as inevitable; marvel that it has not happened ere now. They feel that some day, any day, perhaps today, a loaded passenger plane, coming in across Military Road, with no room to spare, may plow into a truck or possibly a bus full of passengers.

So this group of people one day will be gathered together in an airplane, called there by business, pleasure—any of the reasons that bid people travel. They will climb aboard with their burdens of cares, plans for the future. They will be waving farewells to relatives and friends who came to see them off, or they will be looking out of the airplane window in eager anticipation for faces they know as they arrive from some other place.

Then it will happen. These innocent people, full of life, will go to a crashing, fiery death because Washington has not been provided with an airport which meets the requirements of safety and common decency.

For 9 years local civic and aviation bodies have realized the need for an adequate airport. They have asked time and again that something be done about providing a model airport, or, failing

that, just an ordinary, adequate, safe airport which will meet the minimum requirements of today. They want to abate a nuisance and a death trap.

For 9 years the Capital's airport deficiencies have been realized. For 9 years nothing has been done to correct them. For 9 years lives have been hazarded and are being endangered every day.

The days, weeks, months, years go by and the danger continues and grows. With every increase in airplane size and speed, with every added schedule, the risk mounts.

ST. PATRICK'S DAY ADDRESS OF HON. F. RYAN DUFFY

Mr. RUSSELL. Mr. President, I ask to have printed in the RECORD a very interesting address delivered by the able junior Senator from Wisconsin [Mr. DUFFY] before the Friendly Sons of St. Patrick at Minneapolis, Minn., on March 17, 1935.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have been informed that it has long been customary at these St. Patrick Day affairs to select a speaker who, by birth or inheritance, is an Irishman. I do not know how the committee happened to select me as a speaker for this evening, unless, perchance, there is something about my name that sort of indicates my nationality.

My subject, Some Inspirations from Ireland, brings to my mind for quick review the glorious, yet sad, history of that Emerald Isle.

The location of that island—some 32,000 square miles in area, only slightly more than one-third the size of Minnesota, its isolation and separation from the mainland of Europe, was an exceptionally fortunate circumstance. The Roman invasions of western Europe did not touch it, and when the Barbarians swept nearby countries, Ireland was too difficult of access to be affected.

The very appearance of this island must have been extremely inviting, all down through the ages—as the poet, Drennan, wrote:

"When Erin first rose from the dark swelling flood,
God blessed the green island, and saw it was good,
The Emerald of Europe, it sparkled and shone,
In the ring of the World, the most precious stone."

In pre-Christian times, as the Irish people did not come into contact with Roman institutions and Roman culture, they created a civilization of their own. They were far advanced in shipbuilding and metal work; they were engaged in commerce; they had a system of courts. It was the only civilization where liberty was recognized by having a general election of their kings, and where even the king had to bow to the decision of the judge of the court.

This remarkable, advanced civilization, undoubtedly, accounts for the acceptance by Ireland of Christianity without bloodshed. They readily and happily took St. Patrick to their hearts, and the children of Erin have never forgotten the story of the Nazarene, as told them by Patrick. And so, on through the centuries, they have taken up their crosses, singing as they went along.

There can be no question that the Irish life was modified to a considerable degree by Christianity. It stimulated learning, and the Irish have persevered in this quest of learning under unparalleled hardships and difficulties.

In the sixth century the famous monastic schools arose and the early Irish monks were not only apostles of souls, but also the masters of intellectual life.

During the dark ages in Europe when foreign invaders had almost swept away the last vestige of civilization as it was then known, during that dark period Ireland kept burning brightly the fires of Christianity and of learning, and for this alone the whole Christian world is greatly indebted to her.

And so * * * it is not strange that Saint Patrick's Day is the only purely national festival that antedates all modern nations of the world. It really is the only national festival of Christendom. And that is why St. Patrick is adopted on this date of each year by so many thousands of other nationalities; that is why we of Irish descent are willing to share this day with those of all nationalities who are anxious to do honor with us to the memory of that great man and saint.

The scattered children of the Gael, wherever they are, turn to-night in fancy to the old cradleland of the race.

"Oh, Isle of Mine, where the sunset lingers
With soft, sweet kisses on leaf and sod,
As though 'twas fearing to loose its fingers
From things so dear to the heart of God
Oh, tender Isle, where the dawn comes breaking
The mists before her with slow footfall,
Sure, the inmost core of my soul is aching
To sit beside you and know it all."

With the possible exception of Christmas, there is no day celebrated in so many places in the civilized world as St. Patrick's Day. That is because there is no section of this great globe where man and women of the Irish race have not penetrated. In many places in this country the Friendly Sons of St. Patrick are having gatherings similar to this one. For instance, in Philadelphia they are holding the one hundred and sixty-fourth annual banquet of the Friendly Sons Society of that city. You recall perhaps that George Washington was a member of that society and attended at least three of its banquets.

The Friendly Sons was founded as an American society and for over a century and a half of its existence, it has in every way

been American. It has been loyal always to the finest ideals of this land and this Nation. It goes without saying that I greatly appreciate the honor that you do me when you extended your invitation asking me to be with you upon this occasion.

While the earlier history of Ireland was glorious and we like to recall her great contribution to civilization and learning, yet the succeeding centuries were very sad. It was indeed an unusual race that was able to preserve its identity and civilization during century after century of invasion and oppression. They were ever defeated, yet undefeated. The Irish spirit would not die! Greater strength and resources made determined efforts to wipe out, or at least to subjugate, the Irish completely. The battle and struggle were between manhood and might, and the Irish manhood never surrendered. The Irish people proved they could "take it." No one has ever questioned Irish courage.

It is not surprising that good people of various nationalities are happy to pay tribute to the characteristics of an unconquerable race. Ireland struggled through the centuries, and excited the interest and admiration of the citizens of many lands. That is why many countries have welcomed the Irish immigrant. The conditions in Ireland became so unhappy and almost unbearable that sons and daughters of Ireland, with the love of liberty planted deep in their souls, looked to other lands as places for greater opportunity, for more freedom, and for more happiness.

On a soil constantly wet with the blood and tears of its children, it could hardly be expected that learning and scholarship could flourish. It was natural that a large number of these liberty-loving people would look out across the mighty sea to that new land, that stood there with arms outstretched to the oppressed and persecuted in a spirit of understanding and friendship.

The early history of this country shows the presence of a large number of Irish names in various lines of activity. For instance, it was of personal interest to me to learn that in 1633, just 13 years after the landing of the Pilgrim Fathers, one Richard Duffy came to the place that afterwards became Ipswich, Mass.

And so it was up and down the entire eastern seaboard. Irish men and women, after severing their home ties, threw themselves energetically into the task of conquering the wilderness and hewing out for the foundation of a great Nation. These men became active in their communities and in their local governments and later on, they took an extremely important part in the controversy with England. That deeply implanted love for freedom, coupled with the bitter recollection of British oppression in Ireland, put them in the front ranks of those who were actively and enthusiastically engaged in the movement to throw off the English yoke.

Of the signers of the Declaration of Independence, Thornton, Taylor, and Smith were natives of Ireland; McKean, Read, and Rutledge were of Irish parentage; Lynch and Carroll were grandsons of Irishmen; while Whipple and John Hancock were of Irish descent on the maternal side.

I need not recount in detail the glorious part that the Irish played in behalf of this country during the Revolutionary War. They were with the Minute Men at Lexington; Col. Barrett, an Irishman, was in command at Concord. George Washington showed his great confidence in the men of this race, and surrounded himself with sturdy men of Irish blood. He appointed General Hand to lead his rifles, and he placed Gen. Henry Knox and Colonel Proctor at the head of his artillery; he put Stephen Moylan at the head of his dragoons, and made Blaine his quartermaster.

We recall with pride that Commodore John Barry, the founder of the American Navy, received his captain's certificate, which was no. 1, from George Washington himself. Those who have made an impartial study of the subject have estimated that the Irish furnished not less than one-fourth, and possibly one-third, of the whole American forces during that war, and since the time when independence was achieved, down to the present day, the sons of Ireland have gladly fought and died for America. If they were enthusiastic Irishmen, it is even more important to note that they were loyal Americans.

But not only in wars, but in the constructive work in times of peace, have men and women of Irish blood contributed much to the success and upbuilding of this Nation. I do not mean in any way to deprecate or overlook the splendid contribution that men and women of other nationalities have contributed to the upbuilding and the success of this Nation. You in Minnesota and we in Wisconsin are well aware of the contributions made by sons and daughters of the Scandinavian countries and those of the Germans and Poles, and likewise the descendants of many other nationalities. We are proud of this country and that we have been a great melting pot, but I did want to use this opportunity to call attention to the unusual and very desirable traits and characteristics which the sons and daughters of Ireland have contributed to our general make-up. Men and women of Irish blood have been prominent in the history of your State. The great chief justice of your supreme court, who is so genially presiding here this evening as your toastmaster, is a fine example of this statement.

Many could be mentioned that would qualify in this category. I might mention Gen. James Shields who was one of the first Senators from your State elected to Congress, and who was also elected Senator from two other States. I could not omit mention of that great churchman, Archbishop John Ireland, who contributed so much to the building up of the Northwest. Then there was that author and former Lt. Gov. Ignatius Donnelly, and Brig. Gen. Willis Arnold Gorman, Gov. Andrew Ryan McGill,

and many others whom I have not the time to mention in this short address.

Ireland's loss was this country's gain. In the terrifying 10 years from 1841 to 1851 Ireland's population decreased from 8,800,000 to 6,550,000. Many of this two and one-quarter million loss had starved and the rest had migrated, mostly to America. Queens-town, the port from which most of them left for America, has been described as being "drenched in tears, a torn artery from which the country's best blood drains away year by year."

Think of the sorrow and heartaches—families separated, never to look again upon each other! Oh, how true were the words of Moore: "Erin, the tear and the smile in thine eye."

We in America have inherited much from Ireland. Many a dark hour has been brightened and many a heavy soul has been encouraged by Irish wit and Irish humor. Oh, the smile through the tears has been a wonderful characteristic to have brought into the life of any nation, because when one can smile through tears, it denotes a spirit of resolute courage.

All of you here know the love of the Irish for music. It has truthfully been said that music is the language of the human heart, an expression of the soul, and it would only naturally follow that in Irish music you can usually detect the strain of pathos and sadness. Many Irish melodies were composed in the very shadow of ruins and misery, and yet Irish men and women could sing through their tears as well as they could smile!

Another very fine trait that the Irish brought to this country was the "love of home." In these restless days, when there is so much of discontent, when divorce seems to be fashionable (at least in some quarters) it is well that we have in our citizenship an element that has such a high regard for the home. The Irish have had that characteristic through the ages. Over in Ireland, it probably was only a humble hovel on the hillside, but it was a place where one man loved one woman, and one woman loved one man.

Some years ago I heard a criticism that we of Irish descent paid too much attention to Ireland, implying, of course, that we should give more of our thought and attention to our own country; but as I have already pointed out, all during our history men of Irish blood have been willing to make any sacrifice for this country. Their loyalty to its aims and ideals cannot seriously be questioned. To criticize our love for Ireland would be like saying that after a man has married, he no longer should have the feeling of love in his heart for his good old mother.

I believe that such occasions as this are well worth while, because when we consider the sacrifices and sorrows, and the hardships that have beset the path of Ireland for centuries, and then recall the courage and good cheer with which these people have met that challenge, indeed they can be an inspiration for us.

In this beloved country of ours we have been recently going through one of the most trying periods in our entire history. There has been much of sorrow, of sadness, and of hardship in our land. Our people have had heavy burdens. The cold, clammy hand of a great economic depression has had a tight grip upon this Nation. The morale of our good citizens has been at a low ebb; hundreds of thousands of our people in the cities and on the farms had been losing their homes through mortgage foreclosures, brought about by circumstances not under their control. These homes often represented a life-time of effort and savings. There were 14,000,000 of unemployed. Hundreds of thousands lost heavily due to failures of banks. The little sum that had been set aside for a rainy day was suddenly tied up and no longer available. For a short time a hysteria of fear swept the country.

But conditions have considerably improved. The tidal wave of mortgage foreclosures has stopped. These hard-pressed debtors, assisted by such agencies as the Home Owners' Loan Corporation and the Farm Credit Administration, have been given a breathing spell. At least 4,000,000 of the unemployed have found jobs in industry. Bank accounts have been made secure and with the credit of the Government behind them there is no occasion now for runs on banks.

But * * * we are not yet out of the woods. We still have a rough and stony road to travel. However, we can succeed and will succeed if we all cooperate and work together. This is the time for courage and patience. Those two fine characteristics of the Irish race are greatly needed now.

Our forefathers made many sacrifices to build up this great Nation for us. Most of them did not have many of the bare comforts that we now regard as indispensable and necessary, but those brave pioneers did not bitterly complain and give up because they ran into periods of adversity. They took up their belts another inch or so and kept struggling on. As a result of that kind of courage and patience the citizens of this great Nation who came after them have (on the average) enjoyed more of freedom, more of comfort, and more of happiness than those of any other nation on the face of the globe.

Oh, let us be inspired by those great Irish traits of courage and patience. Let us, too, learn to smile through our tears. We, of course, must courageously face the task of completing recovery. We must not hesitate to take heroic steps and, if necessary, to adopt unprecedented measures in order to attain those ends. But, let us not act like a bull in a china shop. I have in mind the statement of a great American when he said, "Let us not forget that the fortune created by a lifetime of labor can be dissipated in an hour; that a temple erected by the efforts of thousands can be burned to ashes by a fool."

The Irish are often accused of being emotional; it is said that it is quite easy to sweep us off our feet by an emotional appeal.

In a sense that charge may be partially true. But if there ever was a time when it was absolutely essential that we keep our feet firmly planted on the ground it is right now. Those who really love this Nation of ours will determine to keep their minds clear. We should not act rashly without due consideration. Let's not take a poison potion because it is sugar-coated. Modern science has developed the radio. There are millions of receiving sets in the homes of this country. This enables our people to know more of government and economic problems than ever before. As a general proposition this would be an advantage, but there is likewise an attendant danger. All kinds of destructive, fantastic panaceas can and are being cleverly and adroitly propounded, mostly by men seeking public office, and preached by the firesides of millions of our people. One would think that complicated, difficult problems can be solved instantly by a passing of the hands and the incantation of some mysterious hocus pocus. Clever purveyors of hatred are tearing down that spirit of cooperation which would be so great a help in our struggle back to better times. We are sometimes told how much better off the people of other nations are compared to our own lot. Well, my friends, there are excellent travel facilities between America and these various other countries. The rates of passage are quite reasonable. But I haven't noted any great demand on the part of our citizens to go to some other country to live. Oh, the heritage of our American citizenship is priceless.

Mistake me not, I am not for the so-called "old order." I am strongly for some substantial, fundamental changes, but I say to you, let them be orderly. Let not hatred be the motivating force. Let us not be driven to either the extreme of fascism on the one hand, or the Russian type of dictatorship on the other. Let us once more be inspired by that fine Irish spirit of sacrifice and loyalty.

REGULATION OF TRAFFIC IN FOOD AND DRUGS (H. DOC. NO. 142)

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, referred to the Committee on Commerce, and ordered to be printed, as follows:

To the Congress of the United States:

Every enterprise in the United States should be able to adhere to the simple principle of honesty without fear of penalty on that account. Honesty ought to be the best policy, not only for one individual or one enterprise but for every individual and every enterprise in the Nation. In one field of endeavor there is an obvious means to this end which has been too long neglected: the setting up and careful enforcement of standards of identity and quality for the foods we eat and the drugs we use, together with the strict exclusion from our markets of harmful or adulterated products.

The honor of the producers in a country ought to be the invariable ingredient of the products produced in it. The various qualities of goods require a kind of discrimination which is not at the command of consumers. They are likely to confuse outward appearance with inward integrity. In such a situation as has grown up through our rising level of living and our multiplication of goods, consumers are prevented from choosing intelligently, and producers are handicapped in any attempt to maintain higher standards. Only the scientific and disinterested activity of government can protect this honor of our producers and provide the possibility of discriminating choice to our consumers.

These principles have long been those on which we have founded public policy. But we have fallen behind in their practical application. No comprehensive attempt at reform in the regulation of commerce in food and drugs has been made since 1906. I need not point out to you how much has happened since that time in the invention of new things and their general adoption, as well as in the increase of advertising appeals. Because of these changes loopholes have appeared in the old law which have made abuses easy.

It is time to make practical improvements. A measure is needed which will extend the controls formerly applicable only to labels to advertising also; which will extend protection to the trade in cosmetics; which will provide for a co-operative method of setting standards and for a system of inspection and enforcement to reassure consumers grown hesitant and doubtful; and which will provide for a necessary flexibility in administration as products and conditions change.

I understand this subject has been studied and discussed for the last 2 years and that full information is in the possession of the Congress.

No honest enterpriser need fear that because of the passage of such a measure he will be unfairly treated. He would be asked to do no more than he now holds himself out to do. It would merely make certain that those who are less scrupulous than I know most of our producers to be cannot force their more honest competitors into dishonorable ways.

The great majority of those engaged in the trade in food and drugs do not need regulation. They observe the spirit as well as the letter of existing law. Present legislation ought to be directed primarily toward a small minority of evaders and chisellers. At the same time even-handed regulation will not only outlaw the bad practices of the few but will also protect the many from unscrupulous competition. It will, besides, provide a bulwark of consumer confidence throughout the business world.

It is my hope that such legislation may be enacted at this session of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 22, 1935.

REPORT OF THE COMMITTEE ON COMMERCE

Mr. COPELAND. From the Committee on Commerce I report back favorably with amendments the bill (S. 5) to prevent the manufacture, shipment, and sale of adulterated or misbranded food, drink, drugs, and cosmetics, and to regulate traffic therein; to prevent the false advertisement of food, drink, drugs, and cosmetics; and for other purposes. I desire to state that within the next 2 or 3 days I shall file a written report to accompany the bill.

The VICE PRESIDENT. Without objection, the bill will be received and placed on the calendar.

FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1934, in connection with the Foreign Service retirement and disability system as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 22, 1935.

(Enclosure: Report concerning retirement and disability fund, Foreign Service.)

WORK-RELIEF PROGRAM

The Senate resumed the consideration of the joint resolution (H. J. Res. 117) making appropriations for relief purposes.

UNEMPLOYMENT RELIEF AND SOCIAL SECURITY

Mr. COSTIGAN. Mr. President, during the discussion yesterday by the Senator from Wisconsin [Mr. LA FOLLETTE] of one of the amendments to the pending joint resolution, I made reference to inquiries addressed by me early in the present session to the Governors of the different States for information which, when assembled, might be of use to Congress with respect to pending legislation. It is noteworthy that no authoritative line is being drawn between employables and unemployables—partly because we have had no genuine unemployment census in this country; also because that line is in fact largely imaginary. In any event those whose duty it is to legislate should know, in passing on the pending joint resolution and on the rest of the social-security program, that the Governors of many States are convinced that those States will not be able, without Federal aid, to care for all unemployables within their borders. At this time, in compliance with the rule, I ask for the inclusion in the RECORD of the substance of the message sent to

the Governors and the responses received from the Governors of different States, preceded by what is believed to be an accurate summary of those responses.

The message of inquiry addressed by me on January 21, 1935, to the respective Governors was, in abbreviated form, substantially as follows:

WASHINGTON, D. C., January 21, 1935.

It will be helpful if you will advise as follows: First, the estimated number of persons over 65 years of age in your State; second, the approximate number of unemployables of all kinds in the State, excluding unemployables 65 or more years of age; also, whether and to what extent, if at all, the State, as a whole and with aid of its subdivisions, will not be prepared, and if not why

not, to give adequate assistance to the unemployed satisfactorily, as compared with previous combined State assistance and Federal grants in aid, if and when Federal aid to the unemployables is withdrawn, leaving the State responsible for the care of such unemployables; third, how far and soon by legislative enactment or otherwise the State will be prepared to join a Federal program for pensions for persons now 65 or more years of age under which the Federal Government would contribute not exceeding half of State pension allowances of not more than \$30 per month?

I ask that the summary of replies received from the Governors of States may be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

Summary of Governors' replies with reference to cooperation with Federal security program

	(1) Estimated number of persons over 65	(2) Approximate number of unemployables excluding those 65 or more	(3) Is State able to give adequate relief if Federal aid withdrawn?	(4) Is State prepared to join Federal old-age-pension program, States supplying half of pensions up to \$30 per month?
Arizona, Gov. B. B. Moeur...	16,200.....	4,000.....	If unemployables cared for State can give little help to destitute employables.	Definite statement not available.
Colorado, Gov. Ed. C. Johnson.	65,000 with 12,000 destitute..	40,000.....	Can care for unemployables if Washington will assume all responsibility for unemployed employables.	Yes; when advised of requirements.
Connecticut, Elinor H. Little, relief administrator replies for Governor Cross.	104,800.....	31,000.....	State now caring for unemployables on relief: \$1,200,000 monthly grant from Federal Government needed to care for employables.	Old-age pension legislation now pending.
Delaware, Gov. C. D. Buck.	3,200.....	Figures not available.	State able to care for unemployed and aged.	State pension since 1931.
Florida, Gov. David Scholtz.	80,000; 12,133 on relief.....		Impossible to say at this time.	Cannot make commitment. Legislature does not meet until April.
Idaho, Gov. C. Ben Ross.	22,310.....	4,250.....	State cannot raise sufficient funds to care for unemployed.	40 days before required legislation could be passed.
Illinois.....	470,000.....		No indication.	Financial problems of State make it difficult to add new burden. Depends upon ability of legislature to find new sources of revenue.
Indiana, Gov. Paul V. McNutt.	232,787.....	15,000.....	Yes. Prepared to cooperate fully.	Governor will propose legislation immediately when Congress has acted.
Iowa, Gov. Clyde L. H. Herring.	184,239 in 1930, at least 200,000 now.	30,000.....	State will require \$2,000,000 Federal aid monthly to care for unemployed.	Yes; with few minor changes in existing State law.
Kansas, Gov. Alf M. Landon.	131,000.....	14,500.....	Kansas caring for unemployables and will continue to do so.	Yes; three bills pending awaiting Federal action.
Maine, Gov. Louis J. Brann.	69,000.....	No information.	No statement.	Estimated 10,000 should receive pensions on basis of need.
Maryland, Harry Greenstein, relief administrator, replied for Governor Nice.	Approximately 14,000 persons 65 and eligible for pension.	No definite information.	Difficult to determine.	Bill just introduced providing mandatory old-age pensions.
Massachusetts Gov. James M. Curley.	287,764.....	100,000.....	Not now receiving Federal aid.	Now has old-age assistance law to persons 70 or more. More than 15 percent receive \$40 per month.
Michigan, Gov. Frank D. Fitzgerald.	250,000.....	130,000.....	State prepared to contribute \$10,000,000, of required \$20,000,000, to care for pensioners 65 or more and unemployables under 65.	Could meet requirements in approximately 90 days.
Minnesota, Gov. Floyd B. Olson.	189,000.....	110,000.....	Can care for unemployables if Federal Government assumes entire responsibility for employables.	Yes.
Mississippi, Gov. Sennett Conner.	77,443.....	48,467.....	State can care for unemployables only.	Could not stand additional taxes required by program. Suggests national responsibility for old-age pensions.
Missouri, Gov. Guy B. Park.	165,000; 145,000 over 70.....	No information.	Yes.	Placing age at 70 State could care for half of those above that age.
Montana, Gov. F. H. Cooney.	27,614.....	5,000 unemployable heads of families.	No.	No legislative provision made for care of aged.
Nebraska, Gov. R. R. Cochran.	86,000.....	12,000.....	Unable to say. Can give some aid.	Unable to say but hope and expect to cooperate.
Nevada, Gov. Richard Kirman.	10,000.....	600.....	Yes; but will place heavy burden on several counties.	Several bills under consideration. None under \$30.
New Hampshire, Gov. H. Styles Bridges.	44,469.....	3,931.....	No; would be unable to meet relief load.	Urges pension program based on need. Constitutional provisions prevent aid except where need established.
New Jersey, Gov. Harold G. Hoffman.	186,000.....	No information.	New Jersey cannot continue present rate of participation and care for unemployables also.	Yes.
New Mexico, Gov. Clyde Tingley.	Making survey and hope to have information available sometime in February.	Making survey and hope to have information available sometime in February.	Making survey and hope to have information available sometime in February.	Making survey and hope to have information available sometime in February.
New York, Gov. Herbert H. Lehman.	743,000.....	No data available.	No reply.	State old-age security law since 1931. Definite reservations regarding Wagner bill.
North Carolina, Gov. J. C. B. Ehringhaus.	3,000 unemployables in county homes of which approximately one-third are 65 or more. No information available outside of poor lists.		No reply.	No reply.
Ohio, Gov. Martin L. Davey.	430,000.....	145,000.....	Cannot be accurately forecast.	Little delay in amending existing law to meet Federal requirements.
Oklahoma, Gov. E. W. Marland.	100,000 plus.....	No reply.	No reply.	Suggests old-age program with Federal Government carrying 75 or 80 percent of the load. Perhaps then, Oklahoma might be able to cooperate.

Summary of Governors' replies with reference to cooperation with Federal security program—Continued

	(1) Estimated number of persons over 65	(2) Approximate number of unemployables excluding those 65 or more	(3) Is State able to give adequate relief if Federal aid withdrawn?	(4) Is State prepared to join Federal old-age-pension program, States supplying half of pensions up to \$30 per month?
Oregon, Gov. Charles H. Martin.	68,000.....	40,000.....	Will do all that it can but not prepared to meet situation adequately if Federal aid withdrawn.	Present law to cost \$976,120 this year. Impractical to raise larger sum to match Federal funds under existing conditions.
Pennsylvania, Gov. George H. Earle.	530,000 to 550,000.....	900,000 to 1,000,000.....	No response.....	No response.
Rhode Island, Edward J. Higgins, executive secretary.	2,507 persons over 65 on relief.	No data.....	No reply.....	No reply.
South Dakota, Gov. Tom Berry.	40,000.....	27,510.....	No.....	Not at this time.
Tennessee, Gov. Hill McAlister.	Not given.....	No figures available in Tennessee. Refer us to Harry Hopkins.	No.....	No.
Texas, State administrator of relief, Adam R. Johnson, replied.	232,459.....	Number of unemployables on relief rolls December 1934, 55,270, including 21,682 persons 65 or more.	Unable to say.....	Unable to say.
Vermont, Gov. Charles M. Smith.	46,361 over 60.....	12,502 unemployed under 65 (not necessarily unemployable).	Difficult to go ahead without Federal aid.....	Many legislators interested, but no definite statement.
Virginia, Gov. George C. Peery.	116,000.....	89,000 from 16 to 65.	No.....	Would impose difficult tax burden. Legislature does not meet until January 1936. Yes; insofar as possible.
Washington, Gov. Clarence D. Martin.	110,000.....	20,000 families and singles.	Could maintain existing relief standards to present unemployables only.	Yes; insofar as possible.
Wisconsin, Thomas M. Duncan, secretary to Governor.	215,000.....	60,000.....	No indication.....	Doubtful if adequate legislation could be enacted before June.
Wyoming, Gov. Leslie A. Miller.	8,700.....	1,500.....	After April 1, can care for unemployables.....	Yes; after April 1.

Mr. COSTIGAN. I ask that the separate replies may be printed in the RECORD at this point.

There being no objection, the replies were ordered to be printed in the RECORD, as follows:

PHOENIX, ARIZONA, January 24, 1935.

Senator EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.:

Your wire 21st estimated total population of Arizona 65 or over, 16,200. Total number unemployables under 65 estimated 4,000. Under present financial conditions, if Arizona is compelled to assume entire burden of care of unemployables, it will be possible for her to do very little toward caring for destitute employables. Impossible to give definite statement relative cooperation Arizona through legislative action to cooperate with Federal program for pensions for persons 65 or over until more definite information had relative details proposed Federal plan. Arizona, through its citizens and legislature, will cooperate in this matter to fullest extent of its financial ability. Am mailing you copy Arizona's present old-age-pension law. Kind regards.

B. B. MOEUR, Governor.

DENVER, COLO., January 23, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.:

Probably 65,000 persons in Colorado 65 years of age and over, with 12,000 of this number destitute; number of destitute unemployables, including dependents and excluding men and women over 65 years of age, estimated 40,000. Colorado can care for unemployables if Washington will assume all responsibility as to the unemployed employables. Colorado ready to enact legislation providing her share of pensions for persons 65 years or over as soon as we are advised as to the cooperative requirements of the Federal Government; we have not included in any of these estimates transient persons, which we consider the responsibility of the Federal Government.

Ed. C. JOHNSON, of Colorado.

DENVER, COLO., January 25, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate:

Local Federal relief bureau here classifying persons over 50 unemployables; such an arbitrary ruling will increase unemployables Colorado 20 percent; kindly adjust information my telegram accordingly.

Ed. C. JOHNSON, Governor.

STATE OF CONNECTICUT,
EMERGENCY RELIEF COMMISSION,
Hartford, Conn., January 25, 1935.

Senator EDWARD P. COSTIGAN,

Member Finance Committee, Washington, D. C.

MY DEAR SENATOR COSTIGAN: Governor Cross has asked me to reply to your night letter of January 21, regarding proposed social-security legislation.

1. As of January 1, 1935, there are approximately 104,800 persons in Connecticut who are 65 years of age or older.

2. It is estimated that there are 31,000 unemployables of all kinds, excluding those over 65 years of age.

3. Unemployables on relief are being taken care of now practically 100 percent by State and local funds. On the present basis of unemployment, \$2,200,000 per month is needed to provide adequate work relief for employable cases. Of this, a monthly Federal grant of \$1,200,000 is required to furnish adequate relief.

4. During the present session of the general assembly, there have been introduced three bills in the senate providing old-age assistance. These bills are now pending before the committees on the judiciary of the house and senate, respectively.

Very truly yours,

E. H. LITTLE, Relief Administrator.

DOVER, DEL., January 23, 1935.

EDWARD P. COSTIGAN,

Member Finance Committee, United States Senate,

Washington, D. C.:

Re telegram 21st. Over 65 years estimated to be thirty-two hundred. Approximately 5,000 families on relief rolls now. Delaware has been providing pensions for old people since 1931. The State and her subdivisions fully expect to be able to adequately care for their aged and unemployed citizens.

C. D. BUCK, Governor.

STATE OF FLORIDA,
EXECUTIVE DEPARTMENT,
Tallahassee, January 29, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.

MY DEAR SENATOR COSTIGAN: Upon receipt of your telegram of January 22 I took the matter up with the statistician of the F. E. R. A., from whom I have today received a letter as per enclosed copy.

It is impossible at this time to give any reliable information as to what assistance the State of Florida may be able to render unemployment. Also, we cannot make any definite commitment regarding old-age pensions, as our legislature does not meet until April.

Unquestionably these matters will come before the legislature. You may be sure that they will be given every consideration. It is possible that in the meantime Federal legislation may simplify matters so far as our State legislature is concerned.

With all good wishes,

Sincerely yours,

DAVID SHOLTZ, Governor.

FLORIDA EMERGENCY RELIEF ADMINISTRATION,
STATISTICAL DEPARTMENT,
Jacksonville, January 25, 1935.

Mr. J. P. NEWELL,

Secretary to the Governor,

State of Florida, Tallahassee, Fla.

DEAR MR. NEWELL: I have your letter of January 23, in which you enclosed telegram from Senator COSTIGAN to Governor Sholtz, requesting information.

The 1930 census reports that in Florida there were 71,197 persons 65 years of age and over. We have estimated that at present this number is approximately 80,000. The census of relief of October 1933 showed 12,133, or 3.32 percent of persons dependent upon relief were 65 years of age and over.

We do not have any exact data on the number of unemployables in Florida, nor can we confine it to those under 65 years of age; however, we present the following information regarding the reasons why relief clients have been forced to apply for relief. This information is taken from an analysis of our case load in November 1934. It may be helpful in indicating a solution of the problem:

Old age	3,212
Unemployment	77,481
Sickness	3,535
Widows with dependent children	3,074
Insufficient income	22,180
Crime	447
Desertion	2,085

The unemployment bulletin for the 1930 census in Florida lists the following information:

Unemployables in Florida:	
Persons out of a job and unable to work	2,651
Persons having jobs but idle on account of sickness or disability	3,609

These census figures for the number of unemployables in the State appears to us to be extremely low, especially in view of the fact that many unemployable persons who had available reserves or were dependent on relatives and friends for support have lost these resources as a result of the economic conditions of the past 4 years.

We regret that we do not have available the exact information requested.

Yours very truly,

R. C. UNKRICH, Statistician.

BOISE, IDAHO, January 26, 1935.

Senator EDWARD P. COSTIGAN,
Senate Office Building, Washington, D. C.:

Re telegram 22d. Estimated number of persons over 65 years of age, according to 1930 Government census, 22,310. Approximate number of unemployables in Idaho, excluding unemployables 65 years of age or more, 4,250. Idaho, together with its subdivisions, cannot raise necessary money to take care of the unemployed. We have approximately 30,000 unemployed now, and the necessary money would have to be raised from some method of taxation. Forty percent of our real and property taxes in this State are delinquent and an additional burden cannot be borne by the property owners. It would probably be 40 days or more before proper legislation could be enacted matching Government funds for an old-age pension.

C. BEN ROSS, Governor.

SPRINGFIELD, ILL., February 16, 1935.

Hon. EDWARD P. COSTIGAN,
Senate Office Building, Washington, D. C.:

Answering your telegram of recent date relative to proposed security legislation, the data you request as follows:

First, the estimated number of persons over 65 years of age in Illinois approximate 470,000 in 1933, and number at present time should be substantially the same. Second, no accurate data exists as to exact number of unemployables over 65 years of age, but estimates indicate that number approximates 250,000, which figure includes 65,000 unemployables on public relief, the balance being on private charity, in State and private institutions and supported by friends and relatives or from their own resources. Third, ability of Illinois to grant relief to aged can be determined only by balancing of relative claims upon State for funds. Legislature now faces task of raising \$36,000,000 in additional taxes to meet relief requirements in addition to funds from Federal Emergency Relief Administration. The State already has appropriated for unemployment relief this year \$9,000,000, which by the strictest economies has been accumulated over the past 18 months, for necessities of our State welfare institutions. The State since 1932 has appropriated approximately \$75,000,000 for unemployment relief in addition to appropriations by local governments.

In addition Illinois schools are demanding additional State assistance. Many schools in the State are now in difficulty due to failure of many local political subdivisions to collect local taxes. In addition 28 State welfare institutions now badly overcrowded must have increased budgets for operation and outlays for capital improvements. All of these imperative needs require additional taxes, which can be imposed only with extreme difficulty because of the narrow limits of the present State constitution, the amendment of which in practice has been heretofore disapproved on referendum. Whether after meeting above needs further taxes can be imposed for old-age pensions to match Federal subvention presents great difficulties and can only be answered by the ability of the legislature to find new sources of taxation under our constitution. Our legislature is now in session, and these matters will have its earnest consideration. Personally, I strongly favor old-age pensions. Its principles are sound, and when we are financially able as a State it must become a part of our general economic plan. The financial burdens of State government at the present time are heavy, and, frankly, I cannot say at this time that the financial condition of the State, including prospective revenues from new taxes when

devised, can meet the opportunities offered by partial Federal aid on old-age pensions. That we will make the effort you may take for granted.

HENRY HORNER, Governor.

DES MOINES, IOWA, January 23, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate:

Because questions in telegram are not all clear I am mailing today full and complete information, and if after receipt you will make additional direct inquiry, I shall be glad to supply you with answers we have on old-age assistance law and are prepared at any time to join Federal program for pensions.

CLYDE L. HERRING,
Governor of Iowa.

INDIANAPOLIS, IND., January 23, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate Office Building:

1930 census shows 232,787 people over 65 years of age in Indiana. Approximately 15,000 unemployables who are heads of families, exclusive of unemployables over 65 years of age. Indiana is prepared to cooperate fully with the President's work program replacing the Federal Emergency Relief Administration. Indiana has adequate funds for the care of unemployables now on public relief rolls. Indiana Legislature now in session. I am prepared to propose legislation conforming to social-security program of the administration just as soon as final action is taken by Congress and the bill approved by the President. Indiana will continue to do her part.

PAUL V. McNUTT,
Governor of Indiana.

STATE OF IOWA,
EXECUTIVE OFFICE,
Des Moines, January 23, 1935.

Hon. EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.

My DEAR SENATOR: Enclosed are two memoranda in connection with inquiry acknowledged by wire today.

Please call upon us for any additional information you may require.

Yours very truly,

CLYDE HERRING.

STATE OF IOWA,
OLD AGE ASSISTANCE COMMISSION,
Des Moines, Iowa, January 22, 1935.

Gov. CLYDE L. HERRING,

Statehouse.

DEAR GOVERNOR HERRING: In reply to your letter of January 22 relative to information you desire for immediate transmittal to Washington, I wish to submit the following information:

According to the 1930 census there were 184,239 persons residing in Iowa who were 65 years of age or older, and therefore eligible as to age to receive old-age assistance under the existing law and the Lewis bill (H. R. 4142) now pending in the Congress of the United States.

This number has surely increased since 1930 to near 200,000 persons.

Of our aged Iowans some 55,000 have applied for relief to the various county boards of old-age assistance. The county boards inform this department that they consider over 54 percent of these applicants in serious need, and many more eligible under the provisions of the Iowa law. Of the applications for assistance made to the various county boards of this State, the reports of 23,992 investigations have been accepted to the files in the State office.

With but few minor changes, the Iowa old-age assistance law will, in my opinion, meet the requirements for compliance in joining the Federal program as laid down in the Lewis bill now pending in the Congress.

Furthermore, unless Federal administrative rulings and orders, as directed in the Lewis bill, force drastic administrative changes in Iowa, this State will be in a position to take immediate advantage of the allotment of Federal funds and those recommended by yourself to be allocated from the profits of the State liquor-control system.

As the old-age assistance superintendent in this State, I wish to call your attention to the fact that the full intent of the Iowa law and the proposed Lewis bill, now pending in the Congress, cannot be completely complied with on the State and Federal funds which are proposed to be furnished between July 1, 1935, and June 30, 1936, and no doubt for some years thereafter.

Not from a spirit of malice toward the needy aged but rather from the desire to have a statute in this State which can be carried out in the completeness of its spirit and intent, I suggest that you urge the Congress to appropriate as large an amount for 1935-36 as is outlined for subsequent fiscal years.

Furthermore, I suggest amending the Iowa eligibility requirements and a progressive liberalization of eligibility requirements beginning July 1, 1936, and July 1, 1937.

I shall be pleased to have an opportunity to further discuss the problem with you at an early date and at your convenience.

Respectfully submitted.

BYRON G. ALLEN, Superintendent.

IOWA EMERGENCY RELIEF ADMINISTRATION,
Des Moines, January 23, 1935.

HON. CLYDE L. HERRING,
Governor of Iowa,
Statehouse, Des Moines, Iowa.

DEAR GOVERNOR HERRING: Replying to your request of January 22 for information to be submitted to United States Senator Edward P. Costigan:

First: The approximate number of unemployables of all kinds in Iowa, excluding unemployables 65 or more years of age.

Answer: The question does not specify whether or not the answer is to include only such unemployables as are receiving relief.

We know of no official records from which this information can be secured. We have asked the State department of health and the State bureau of labor, and they report that they do not have this information. We have discussed this question with Miss Ina T. Tyler, State director of relief, and with members of her staff, and we estimate that there are approximately 30,000 unemployable persons in Iowa who are under 65 years of age.

The term "unemployable" is very general and is extremely difficult to define accurately. For this reason estimates of unemployables might show a wide variation. This estimate is based on the following premises: There are, according to unofficial reports, approximately 13,000 unemployable families who are receiving relief. It is believed that approximately one-third of these are more than 65 years of age, leaving approximately 8,000 unemployable families receiving relief. Miss Tyler and those members of her staff who were consulted believe that not more than one-fourth of the unemployable persons are receiving relief through county overseers of the poor, as many such persons have sufficient resources of their own or are cared for by friends or relatives.

Second: To what extent, if at all, Iowa as a whole and with aid of subdivisions, will not be prepared, and if not, why not, to give adequate assistance to unemployed in Iowa, satisfactorily as compared with previous combined State assistance and Federal grants in aid, if and when Federal aid to unemployables is withdrawn, leaving Iowa responsible for care of such employees.

Answer: The second question is not entirely clear to us. It is assumed that the question means in substance, "How much Federal money will be needed to provide adequate unemployment relief (up to the present time standard) in Iowa."

The question does not state for what period the estimate is to be made. Therefore, it is assumed that the calendar year of 1935 is meant.

The answer can be made only after several assumptions are conceded. It appears impossible to make an accurate estimate of the number of families who will need unemployment relief during the current year. Previous estimates are being exceeded each month. The answer given below will be based on the assumption that there will be no considerable increase in the number of families needing relief because of unemployment.

The amount needed for such unemployment relief will also depend largely upon the number and type of special programs, which are authorized or required during the year, and the standards and requirements under which such programs are conducted. The reply can be based only on the assumption that the general relief program will be somewhat similar to that in operation at the present time.

Concerning State and local funds, which will be available: The amount of State funds available depends, of course, upon the action which may be taken by the forty-sixth general assembly now in session. The answer will be based on the assumption that approximately \$350,000 will be available from State funds for each month during 1935.

It is anticipated that no increased amount can be provided from county funds. The financial condition of the counties is growing more serious each month. Although all counties have made the maximum levy for poor relief, and also have made the emergency levy in most cases where it was possible to do so, the need for larger amounts of money for relief purposes will exhaust these funds early in the year in nearly all counties. Thirty-one counties in this State have issued bonds up to, or in excess of, their constitutional limitation, and 10 more counties have bonds outstanding almost to their constitutional limit. Nearly all of the remaining counties are issuing bonds each month to meet relief needs, and will approach their constitutional limit within a short time.

It is feared that receipts from general tax levies will be seriously reduced during 1935 in many counties. Thirty-two counties are in the emergency drought area, and agricultural conditions are unfavorable in 12 additional counties bordering the emergency area.

The necessity of providing local funds for supervision, materials, transportation, and nonrelief labor to operate work-relief projects has reduced the money available in other local funds, such as the road-maintenance and road-construction funds, in all counties.

For the reasons set forth above it appears that it will be necessary to provide funds to assist the counties if the work program is to be continued or extended.

Based on all of the facts and assumptions set forth above, it is believed that not less than \$2,000,000 will be needed in Iowa each month from Federal funds to supplement State and local funds,

which may be available during 1935. More than this amount will be required if the unemployment-relief case load continues to increase.

Yours very sincerely,

E. H. MULOCK,
Administrator Iowa Emergency Relief Administration.

STATE OF KANSAS,
OFFICE OF THE GOVERNOR,
Topeka, January 26, 1935.

Senator EDWARD P. COSTIGAN,
Senate Office Building, Washington, D. C.

DEAR SENATOR COSTIGAN: Replying to your wire of January 21: First. Estimate of 131,000 persons in Kansas over 65 years of age. Estimated number of pensioners, 15,000. Actual number of this age on relief November 1, 14,033.

Second. Approximate number of unemployables under 65 years of age, 14,500. Also Kansas is at present taking care of all of its unemployables and can continue to do so.

Third. Three bills for old-age pensions are now pending before the legislature. Comprehensive study of problems prepared in November by legislative council. Hence all necessary information for Kansas program is now ready awaiting decision on Federal program.

Sincerely yours,

ALF M. LANDON, Governor.

AUGUSTA, MAINE, February 1, 1935.

HON. EDWARD P. COSTIGAN,
Senate Office Building:

Approximately 69,000 people in Maine over 65. No figures available to show probable proportion entitled to old-age pension on basis of need. It is estimated very roughly that approximately 10,000 should receive pension on basis of need.

Gov. LOUIS J. BRANN.

BALTIMORE, MD., January 30, 1935.

HON. EDWARD P. COSTIGAN,
United States Senate Office Building, Washington, D. C.:

Governor Nice just referred to me for reply your telegram of January 21. There were approximately 48,000 cases under case of State relief administration in January 1935, and of this number approximately 3,754 were old-age cases. Exclusive of old-age cases there were approximately 6,134 cases on relief because of factors other than unemployment. In addition to above there are 140 persons in Baltimore City now receiving old-age pensions, with 2,654 uninvestigated applications. A bill has just been introduced in present session of legislature providing for mandatory old-age pensions in Maryland. Governor's old-age pension committee estimates there are approximately 14,000 persons over 65 and eligible for pensions in Maryland. Difficult to determine whether Maryland can care for unemployables until we know to what extent Federal program will be able to absorb all employables now on relief.

HARRY GREENSTEIN,
State Relief Administrator.

THE COMMONWEALTH OF MASSACHUSETTS,
EXECUTIVE DEPARTMENT, STATEHOUSE,
Boston, January 29, 1935.

HON. EDWARD P. COSTIGAN,
House of Senate, Washington, D. C.

MY DEAR SENATOR: In answer to your wire of January 21, I submit the following information:

(1) There are 287,764 persons in Massachusetts over 65 years of age.

(2) There are under 100,000 persons unemployable excluding those 65 years or over.

Massachusetts will not be affected by the Federal policy of withdrawing aid to the unemployed because such Federal aid is not now being given in Massachusetts.

(3) We now have old-age assistance for persons 70 years or over with payments averaging \$25 per month to 20,517 persons; more than 15 percent receive an average of \$40 per month.

As a further suggestion I would state that in setting up forms of social insurance, confusion is apt to arise unless the field in which the form of insurance is to operate is carefully defined. It is suggested, therefore, that in order to avoid overlapping unemployment insurance and old-age insurance (in Massachusetts designated as "old-age assistance") eligibility for unemployment insurance cease at the age the person becomes eligible for old-age assistance.

For example: If a person 70 years of age or over is eligible to receive old-age insurance benefits no such person shall be eligible to receive unemployment insurance.

Sincerely,

JAMES M. CURLEY.

LANSING, MICH., February 1, 1935.

EDWARD P. COSTIGAN:

Answering your wire of the 22d, from estimates by State relief administration for Michigan 250,000 residents over 65, of whom 32,000 are receiving emergency relief and 17,000 additional are receiving local poor relief or inadequate old-age pensions. One hundred and thirty thousand persons, consisting of 12,000 unemployable singles and 30,000 families containing no employable per-

son are receiving emergency relief. Old-age pensions to persons over 65 would still leave 100,000 persons dependent on State and local funds if Federal aid to unemployables and their dependents is withdrawn. Estimated annual requirement for 50,000 pensioners approximately \$7,000,000 at \$12 per month, age 65. Estimated cost of care of 100,000 other unemployables at present F. E. R. A. estimates, 12 to 15 million dollars. State government can contribute \$10,000,000 if not required to share cost of proposed Federal Works program. If local government is required to provide remaining amount it will result in severely difficult new taxation which is not recommended. With adequate advance notice State and local governments could join Federal pension program in approximately 90 days. Question the ability State and local government to contribute one-half of \$30 per month age 65 pension unless Federal Works program relieves Michigan of support of all employable people. Employables defined as all who can perform useful work of some kind in private or public employment.

FRANK D. FITZGERALD,
Governor of Michigan.

ST. PAUL, MINN., January 27, 1935.

HON. EDWARD P. COSTIGAN,

Senate Office Building, Washington, D. C.:

Re telegram, social-security legislation: Estimated population of Minnesota 65 years of age and above is 103,000 men and 86,000 women. Estimated number of unemployed in Minnesota below 65 years of age, not including unemployables, is 92,000 men, 18,000 women, excluding farm workers. No reliable figures available as to number of unemployed farm workers. In addition to 110,000 families now receiving direct or work relief from moneys furnished by Federal and/or local Governments there are 23,000 farm families receiving livestock feed in drought areas through Federal grants. About 20 percent of unemployed now on relief rolls are unemployable. Most Minnesota counties and municipalities could care for unemployables if Federal Government assumes entire responsibility for relief or employment of employables. Other communities unable to care for unemployed because of tax delinquency produced by economic and climatic conditions could carry on through State aid. Minnesota has compulsory old-age pension law with age requirement of 70 years and maximum allowance of \$30 per month. In my opinion, law will be amended to reduce age limit to 65 or 60 years, and maximum allowance will be increased. Local tax conditions in many counties make it imperative, in my opinion, that State assume entire pension load instead of having present system whereunder counties pay pensions. Allowance of maximum of \$30 per month is mere subsistence allowance. Maximum should be increased substantially above \$30 and Federal contribution increased substantially above \$15. An American citizen must shudder when he compares an appropriation of \$1,000,000,000 for armaments and only one hundred million for assistance and old-age pensions. Knowing your fine progressive record, I am sure you will work for increased allowances, and old-age pensions, and for legislation on health insurance. If any further information relative Minnesota is required, I will be glad to furnish it.

FLOYD B. OLSON, Governor.

STATE OF MISSISSIPPI,
EXECUTIVE DEPARTMENT,
Jackson, January 26, 1935.

HON. EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.

MY DEAR SENATOR COSTIGAN: In reply to your telegram, I submit the following information:

The 1930 census gives Mississippi 77,443 persons over 65 years of age, and we assume there has been little, if any, variation in this figure since 1930. The State relief administration estimates that 12,683 of these persons are on relief.

We have 14,221 unemployable cases on relief, and using the usual figure of 4.3 persons per family, this indicates 61,150 unemployable persons on relief, or about 48,467 unemployable persons below the age of 65 years on relief.

I quote from a report of the State relief administrator: "A census made in 1933 indicated that 11.3 percent of the total population of Mississippi were on relief. If the figure 48,467 constituted 11.3 percent of the total of unemployables, we would have about 172,000 of unemployables in Mississippi. However, I believe that the total number on relief would constitute from 50 to 75 percent of the unemployables. However, this is absolutely a guess, and I have no means of proving or disproving the matter."

The State government of Mississippi does not have the funds, and cannot make them available, required to give adequate or even necessary assistance to the unemployed in our State. By instructions from the F. E. R. A., all unemployables are to be removed from relief rolls on February 1; that is to say, no funds granted by the F. E. R. A. may be used for assistance to unemployables after that date. This amounts to about 24 percent of the relief load, and, in my judgment, is about as much as the State can carry under present conditions.

If the States are required to match Federal funds on the proposed basis of \$30 per month to each person over the age of 65 years, Mississippi's annual contribution to old-age pensioners would be approximately \$12,000,000. The total of general-fund receipts of the Mississippi State government last year was only \$14,000,000, and any increase in taxes under present conditions would be unwise and in many instances unbearable. Mississippi

is chiefly an agricultural State, and under normal conditions affords a profitable market for the products of wealthy industrial States. To require the States to contribute one-half of the cost of old-age pensions will impose a burden on Mississippi and other States of small wealth that cannot be carried by them, and in my opinion virtually will nullify the old-age pension proposal in such States.

Permit me to express it as my view that old-age pensions should be recognized to be a national problem, irrespective of imaginary State lines, and should be paid wholly from Federal funds provided by taxes on wealth without regard to the geographical location of such wealth or residence of the pensioner.

With expression of personal esteem, I am,

Very sincerely,

SENNETT CONNER.

JEFFERSON CITY, Mo., January 24, 1935.

HON. EDWARD P. COSTIGAN:

Estimated 160,000 Missourians over 65. Hundred forty-five thousand over 70. About 12,000 over 70, the age fixed by our constitution, entitled to pension. Legislative action on old-age pensions awaiting congressional action. Missouri should be able to take care of 50 percent of those over 70 and all our relief needs.

GUY B. PARK, Governor.

HELENA, MONT., January 25, 1935.

HON. EDWARD P. COSTIGAN,

Senate Office Building:

Re telegram there are 27,614 persons over 65 years in Montana. Excluding those 65 or more years of age, there are approximately 5,000 unemployable heads of families now on relief. Montana is prepared to furnish approximately \$1,900,000, leaving deficit of \$10,825,000 for care of all unemployables, including aged. Seven thousand six hundred and fourteen persons 65 and over now on relief. If these allowed pensions \$30 monthly and relief given other 5,000 unemployable families, total of \$5,525,000 needed. No legislative provision made for care of aged in Montana other than through county poor fund, which is hopelessly inadequate under present conditions if Federal aid withdrawn.

F. H. COONEY, Governor.

LINCOLN, NEBR., January 25, 1935.

Senator EDWARD P. COSTIGAN,

Washington, D. C.:

Replying telegram of recent date regarding proposed social security legislation. Estimated number of persons in Nebraska over 65 years of age, 86,000; estimated number of unemployables of all kinds in number, excluding unemployables 65 or more years of age, 12,000. Replying further, Nebraska will, in my judgment, be prepared to give some assistance to unemployed in Nebraska if and when Federal aid to unemployables is withdrawn; cannot state at this time extent to which this will be adequate due to drought condition which prevailed during 1934. Replying further, am unable to predict with any degree of certainty whether Nebraska will be prepared to join Federal program for pensions for persons now 65 or more years of age under which Federal Government would contribute not exceeding half or half of State pension allowance of not more than \$30 per month. We are very much interested, however, in this security legislation and expect to cooperate.

R. L. COCHRAN, Governor of Nebraska.

CARSON CITY, NEV., January 30, 1935.

Senator EDWARD P. COSTIGAN,

Washington, D. C.:

Reference your night letter January 21 asking for data on social-security legislation, estimated number of persons over 65 years of age in Nevada approximately 5,000 white and 500 Indians. Unemployables under 65, approximately 600. Believe Nevada, through its counties, will be able to take care of unemployables if and when Federal aid for such class is withdrawn. However, this will be a very heavy burden on the several counties of Nevada, in addition to existing loads. Legislature now have under consideration several proposals for old-age pensions in varying amounts, but none under \$30.

RICHARD KIRKMAN, Governor.

CONCORD, N. H., January 30, 1935.

HON. EDWARD P. COSTIGAN,

United States Senate, Washington, D. C.:

Replying to your telegram of inquiry, estimated number of persons over 65 years of age in New Hampshire January 1, 44,469. Estimated number of unemployables of all kinds in New Hampshire, excluding unemployables 65 years or more, 3,931. New Hampshire Legislature, now in session, is working by special committee appointed at my request to frame law for State aid to local subdivisions that are unable to meet relief needs without excessive tax burden. Withdrawal of Federal aid would leave New Hampshire and local subdivisions without sufficient resources to meet relief load. Legislature, now in session, will for some time be ready to give prompt consideration to participation in Federal program for pensions of persons 65 years or more. We urgently request pension program be framed to provide aid only for need. Constitutional provisions would prevent New Hampshire from ap-

appropriating money for pensions unless persons assisted needed relief. Outright pension program, regardless of need, should not be framed to operate unjustly with respect to States with similar constitutional restrictions.

H. STYLES BRIDGES,
Governor of New Hampshire.

TRENTON, N. J., January 22, 1935.

HON. EDWARD P. COSTIGAN,
Senate Office Building:

Replying to your night letter, estimate 186,000 persons in New Jersey over 65 years of age; estimate 38,000 now on emergency relief rolls unable to work. Funds now furnished by New Jersey and its political subdivisions all that can be made available for relief purposes. Impossible to continue present rate of participation and care for unemployables in addition. New Jersey can join immediately in program to assist those over 65 by amending existing old-age relief legislation. New Jersey has for years past provided for most unemployables who are physically or mentally handicapped.

HAROLD G. HOFFMAN, Governor.

STATE OF NEW MEXICO,
OFFICE OF THE GOVERNOR,
Santa Fe, January 29, 1935.

HON. EDWARD P. COSTIGAN,
United States Senator, United States Senate Building,
Washington, D. C.

DEAR SENATOR COSTIGAN: This will acknowledge receipt of your telegram of January 21 in which you ask for certain information with reference to the national administration's proposed social-security legislation. The information you seek is not available at this time. A survey is now being conducted in this State, and I am informed the information you desire will be available by approximately February 15.

Yours very truly,

CLYDE TINGLEY, Governor.

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, February 4, 1935.

HON. EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.

MY DEAR SENATOR COSTIGAN: Unfortunately I cannot answer as specifically as I would like the questions which you present.

The first relates to the number of persons 65 years of age in New York. We estimate that there are 743,000 such persons. You may be interested to know that we have had an old-age-security law in New York State since 1931. As a result we find that out of a population of 416,000, 70 years of age in the State, 1 in every 8 has been in receipt of an old-age allowance. We estimate that by dropping the age limitation to 65 and adopting the other provisions of the Wagner bill, the proportionate number will remain at 1 in every 8 and the number of recipients will have increased at least 78 percent.

The second question, relating to "unemployables", I find impossible to answer. I am unable to do so because I cannot obtain a definition as to what is meant by an "unemployable." I have had the commissioner of social welfare attempt to make an analysis of the situation, but there is no data upon which he can form a judgment or estimate.

Your last question relates to the New York State program in relation to granting of old-age allowances to persons 65 years of age in line with the Federal plans as proposed in Mr. WAGNER's economic-security bill.

Very sincerely yours,

HERBERT H. LEHMAN.

RALEIGH, N. C., January 26, 1935.

HON. EDWARD P. COSTIGAN,
United States Senate Finance Committee:

Replying your telegram 21st, there are now in county homes North Carolina approximately 3,000 unemployable, of which approximately one-third are near 65 years or over. No data as to outside poor. Refer you to relief department for most accurate information obtainable as to unemployables returned to State or local support, these outside county homes and on so-called "county poor list. Information as to unemployable receiving county aid obtainable only from county commissioners; no central data. Above information furnished by labor department.

J. C. B. EHRENGHAUS.

COLUMBUS, OHIO, January 28, 1935.

Senator EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.:

Re telegram January 22d, estimate 430,000 persons in Ohio over 65 years of age, of whom an estimated 80,000 can qualify under present Ohio law. Proposed Federal law would permit estimated 110,000 to qualify, due to more liberal provisions. Twenty-eight thousand eight hundred families on Ohio relief rolls, representing 145,000 persons, excluding those over 65 but including those under 16 have no employable member. This estimate does not include institutional cases or those taken care of by normal State, county, city, or other public agencies, such as insane, weak-minded, physically incapacitated like tubercular, inmates county homes, children's homes, etc. Ohio has been able with aid of Federal

grants, State-raised funds, and subdivisions to meet relief situation in past. Ohio's ability to care for unemployables present year cannot be accurately forecast until means to provide sufficient funds is determined upon. Ohio old-age-pensions law will require few changes and little delay in conforming to Federal Government program, in which Federal Government will supply half of State pension based on maximum \$30 per month.

MARTIN L. DAVEY, Governor.

OKLAHOMA CITY, OKLA., February 6, 1935.

Senator EDWARD P. COSTIGAN,
Senate Office Building:

There are slightly in excess of 100,000 persons in the State of Oklahoma above the age of 65. I believe that approximately two-thirds of these are indigent unemployables. Replying to your question by telegram to me dated January 22, I give it as my opinion that it is quite impossible for the State of Oklahoma under present conditions to carry one-half of the load of a \$30 monthly pension. And in reply to your question why the State is not able to carry that share of the load, I must remind you that the Federal Government through Federal income tax and excise taxes is now tapping the main source of revenue available to the State and collecting such a great percentage of the net income of our industries and individuals that it is quite impossible for us to burden them much further with taxation. In my judgment, it is impracticable for the State to impose an income tax in an amount more than 20 percent of the amount now collected by the Federal Government. Because of this fact I believe it would be only fair and equitable for the Federal Government to carry a corresponding share of the load. If the Federal Government will carry 80 percent, the State of Oklahoma can, and I believe will, carry 20 percent. We might even be able to carry 25 percent if the Federal Government carries 75 percent. An amendment to the constitution of Oklahoma will be necessary before we can even do this. I believe that such an amendment can be passed on a 75-25 percent basis, but I do not believe the people of Oklahoma will vote an amendment to the constitution where it was contemplated that they would be required to carry 50 percent of the load. I am mailing you figures of our aged and unemployable people.

E. W. MARLAND, Governor.

STATE OF OREGON,
EXECUTIVE DEPARTMENT,
Salem, January 25, 1935.

HON. EDWARD P. COSTIGAN,
Washington, D. C.

MY DEAR SENATOR: Your wire of January 21 is before me. I have consulted with various State departments and find that accurate data in answer to your inquiries are not available. The figures supplied below are, therefore, of necessity, only approximate. Your inquiries are answered in order.

1. The number of persons in Oregon over 65 years of age is estimated at 68,000. This figure includes all persons over 65 years of age, irrespective of their relief needs.

2a. The approximate number of unemployables of all kinds in Oregon, excluding unemployables of 65 years of age or over, is estimated at 10,000 cases. This number of cases includes an estimated 14,000 unemployable adults and their indigent dependents, an estimated number of 40,000 persons. It is impossible to estimate with any degree of accuracy the number of unemployable persons in the State less than 65 years of age until such time as the word "unemployable" is more clearly defined.

2b. Oregon with the aid of its political subdivisions will do everything within its power to take care of its unemployed, but it is not prepared to handle the situation adequately if Federal assistance to unemployables is entirely withdrawn.

Our revenue-raising facilities are curtailed, first of all by constitutional tax-limitation provisions, and, second, by the inability of real property to carry any heavier tax load. This applies to the local subdivisions as well as to the State. Tax delinquencies have mounted to an alarming degree, and a further increase in the load on present sources of revenue is not possible.

All tax measures in this State are subject to popular referendum. The sales tax has been repeatedly and decisively rejected by the people so that it is useless to revive this proposal. We are devoting every cent of our revenues from State-controlled sale of liquor to unemployment relief, but these are inadequate to meet the demand.

Naturally, the burden of unemployable dependents increases as those on whom they have hitherto depended for support are forced onto the relief rolls.

3. Oregon at the present time has an old-age pension for persons 70 or more years of age, to which the sum of \$976,120 was budgeted this year by the counties of the State. To raise this sum has taxed the resources of the counties to the utmost of their ability and the raising of any larger sum to match Federal funds for old-age pension purposes would, in my opinion, not be practical under existing conditions.

Cordially and sincerely yours,

CHARLES H. MARTIN, Governor.

HARRISBURG, PA., January 25, 1935.

HON. EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.:

Estimates of number of persons over 65 years of age in Pennsylvania range from five hundred thirty to five hundred fifty thou-

sand. Approximate number of unemployables of all kinds in Pennsylvania, excluding unemployables over 65 years of age, range from 900,000 to 1,000,000. Only 100,000 of these are now being cared for by the Relief Administration, the balance by agencies reporting to the State department of welfare. Additional data sought will be furnished you as soon as available.

GEORGE H. EARLE,
Governor Commonwealth of Pennsylvania.

STATE EMERGENCY RELIEF BOARD OF PENNSYLVANIA,
Harrisburg, Pa., January 23, 1935.

INTERDEPARTMENTAL MEMORANDUM

To: Mr. Harry E. Kalodner, secretary to the Governor.
From: Emmett H. Welch, director research and statistics.

Mr. Johnson has asked me to write you a memorandum relative to the telegram to Governor Earle from Senator COSTIGAN. I shall discuss the questions asked in the telegram in the order in which they were asked.

1. "Estimated number of persons over 65 years of age in Pennsylvania."

In April 1930 there were 508,278 persons in Pennsylvania 65 years of age and over. There were at that time 299,831 persons between the ages of 60 and 64 years, inclusive. All of these persons would now be over 65 if they have not died or left the State. Many of those who were over 65 in April 1930 have since died. I have three estimates of the number who were over 65 on January 1, 1935.

Miss Hardy, of the department of health, bureau of vital statistics, estimates that on January 1, 1935, there were 530,000 persons in Pennsylvania over 65 years of age. This estimate is based on deaths since April 1930 and the number of persons of different ages in April 1930. Miss Hardy stated that her estimate is conservative and is possibly lower than the actual number.

The State planning board made an estimate of 564,000 based on school census figures for various sections of the State.

The Scripps-Howard Foundation for population research estimates 573,000.

The variation between these figures is not large, considering the fact that all three are estimates. My personal opinion is to use Miss Hardy's estimate as a minimum and use a range for the estimate to be sent to Senator COSTIGAN. I would say the estimated number of persons in Pennsylvania 65 years of age or over is 530,000 to 550,000 as of January 1, 1935.

2. "Approximate number of unemployables of all kinds in Pennsylvania, excluding unemployables 65 or more years of age."

The following tabulation shows the most complete figures I could get together rapidly relative to the number of persons in Pennsylvania dependent upon public support.

	Date	Families	Persons
Poor relief.....	1933	139,256	653,750
Alms-houses.....	1933		27,265
Mothers' assistance.....	May 31, 1934	7,827	30,338
Unemployed veterans.....	1933	2,619	9,139
Blind pension.....	Jan. 11, 1935		4,142
Children in institutions.....	May 31, 1934		72,190
Mental hospitals and institutions.....			36,610
Total.....			833,434

¹ Year ending.

In addition, there are approximately 25,000 cases containing 100,000 persons receiving unemployment relief in which there are no employable members. This latter figure is an estimate and should be interpreted in the light of the accompanying memorandum which I wrote to Mr. Johnson.

In summary, there are probably 900,000 to 1,000,000 persons in Pennsylvania under 65 years of age who are dependent upon public support. Only 100,000 of these are now being cared for by the relief administration. The balance are cared for by agencies reporting to the State department of welfare.

The remaining questions in the telegram refer to State finances and tax policy, also to old-age assistance.

JANUARY 21, 1935.

Estimates of unemployables on relief.

MR. JOHNSON,
E. H. WELCH.

Estimates of the proportion of unemployables on relief ranging from 5 to 50 percent have been made. This large variation is primarily due to a lack of any clear-cut definition of "unemployable." In very few relief cases are all persons employable. Children, housewives, and those ordinarily not employed are unemployable at all times. These persons, therefore, should be considered as "normal dependents" and not "unemployables." The reason that "normal dependents" need relief is because of the unemployment of the worker who normally supports them. "Unemployables on relief" should, therefore, be limited to those persons who are in need of relief because of some reason other than the unemployment of the worker who normally supports them.

I would estimate that between 90 and 95 percent of the relief cases in Pennsylvania have one or more persons who could support the family if employment at a living wage could be obtained. Ninety-five percent is probably nearer the actual figure than 90 percent. This leaves from 5 to 10 percent of these cases that are

probably "poor relief", "old age", and "widow and children" cases. Thus, there are probably 20,000 to 40,000 cases containing from 80,000 to 160,000 persons who are not, strictly speaking, unemployment relief cases.

It should be borne in mind, however, that many of the remaining 360,000 to 380,000 cases could not be given employment on a work program. Thousands of factory and store workers cannot be given employment on any type of work program unless the Government takes over factories and stores in competition with private employment. Thus, there are many additional persons on relief who are "unemployable" as far as a work program is concerned, but who are not "unemployable" if private employment were to increase sufficiently.

Another point needs to be considered. Many of the persons now on relief who have been employed in the past and who still have the desire and ability to render useful service will likely never be self-supporting again. With limited employment opportunities and a large labor supply available, the degree of fitness necessary to obtain and keep a job becomes greater than when the reverse is true. Thus, at the present time, many persons past 40 years of age, who are physically and mentally able to render several years of useful service will have difficulty in obtaining employment in the future because of the available younger men and women for the job. While these persons may thus become unemployable in the present and future, they are not truly unemployable in fact. They would not be unemployable if we had an economic system capable of making use of the available labor and material resources of the Nation.

Similarly, there are persons whose trades and vocations have become obsolete because of technological change. These persons could be retrained into other pursuits, but we are not likely to do so as long as there already exists a surplus of workers in practically every occupation.

To summarize, there are probably not more than 20,000 to 40,000 cases receiving relief in Pennsylvania that could not be self-supporting if adequate employment at a living wage were available. Many more are, however, likely to be "unemployable" for some time to come because of the high degree of "employability" required under conditions of limited employment opportunity. We are consigning workers to the industrial scrapheap because of the failure of our economic system to make use of our human and material resources.

EXECUTIVE DEPARTMENT,
STATE OF SOUTH DAKOTA,
Pierre, January 23, 1935.

HON. EDWARD P. COSTIGAN,

Senate Finance Committee, Washington, D. C.

DEAR MR. COSTIGAN: In reply to the inquiries contained in your telegram of January 21, I wish to advise as follows:

(1) South Dakota has 40,000 persons over 65 years of age.
(2) The approximate number of unemployables in South Dakota under 65 years of age is 27,510.

(3) Direct relief is now being given to 400 unemployables by the State emergency relief administration in unorganized counties and in other counties which are financially unable to take care of the needs of such unemployables.

(4) The present estimated population of South Dakota is 650,000.

(5) The present case relief load of the State emergency relief administration is 64,000, an average of 4.2 individuals per family, or approximately 40 percent of the entire population of our State.

(6) The counties of the State are expending \$1,200,000 annually for mothers' pensions and poor relief.

(7) The Federal grant of \$106,000 covering operations for 60 days of distressed schools in counties financially unable to operate such schools, expires January 31, 1935. Unless additional grants are obtained from the Federal Government many schools will be closed at the end of this month.

(8) Provided the Federal Government contributed half of the pension allowance, and using \$30 per month as a basis of computation, the annual expenditure for Federal and State Governments combined would total \$14,400,000 to take care of the 40,000 persons in our State who are over 65 years of age. The expenditure for South Dakota alone would require \$7,200,000 annually.

In order that you may better understand the present financial condition of our State, I will outline briefly the problems with which we are confronted.

As of December 31, 1934, the bonded indebtedness of our State was \$45,969,000. In addition to \$3,800,000 already borrowed from the Reconstruction Finance Corporation, we are now asking for another loan to enable us to meet maturing bond issues.

Previous administrations attempted on three different occasions to sell South Dakota rural credit bonds, but were unable to secure a single bid from bonding houses. In January of 1932 the State faced default on an entire bond issue, but through special legislation, applying one-half of the gasoline tax, we were able to secure a Reconstruction Finance Corporation loan.

Due to crop failures caused by grasshopper devastation and drought and low prices, the commercial, individual, and State enterprises of South Dakota are now operating on Federal relief funds circulating through the regular channels of business. The State receives a portion of these funds in taxes, and if it were not for relief funds very little taxes would be collectible.

Of our ad valorem tax levy, 18 percent of the 1931 tax levy is yet uncollected, as is 27 percent of the 1932 levy.

In view of existing conditions, the property tax could not be collected, and the 1933 legislature enacted a gross income-tax

law which provided funds to take care of a certain portion of our operating expenses. Nearly one-half of the amount collected was made possible through Federal relief funds.

Although the cost of State government has been reduced one-third during the past 2 years, our tax collections lack \$78,000 of the amount needed for the expenses of maintaining State government for the past biennium. The overdraft in the Treasury as of December 31, 1934, was \$655,000.

Under no circumstances would South Dakota be able to provide for the unemployed without Federal assistance because of the financial condition of the State as above outlined.

In conclusion, I wish to advise that we are doing our utmost to share the responsibility for the care of our needy, but in view of the present financial condition of the State and our inability to impose additional collectible taxes, we are unable at this time to meet the requirements of an old-age pension law. At such time as the financial condition of our State at large permits us to impose additional collectible taxes, I assure you that we will do our share in making old-age pension legislation effective.

Yours very truly,

TOM BERRY, Governor.

TENNESSEE EXECUTIVE CHAMBER,
Nashville, January 28, 1935.

Senator EDWARD P. COSTIGAN,
Washington, D. C.

DEAR SENATOR COSTIGAN: I have delayed answering your letter of January 21 in the hope that I could obtain from some source the information that you ask. I have been unable to do so, though you have doubtless ascertained from the 1930 census the number of persons living in our State over the age of 65. The number of unemployables of all kinds in our State should be available from the office of the Federal Emergency Relief Administrator, who is Col. W. L. Simpson, Stahlman Building, Nashville. It is possible that Mr. Hopkins has it in his office.

The financial condition of Tennessee is, to speak plainly, in a very disordered state, and there is in sight no revenue available for the purpose that you mention, nor is there any law on our statute books that will enable us to join the Federal program that you speak of.

Yours truly,

HILL McALISTER, Governor.

AUSTIN, TEX., February 7, 1935.

Hon. EDWARD P. COSTIGAN,
United States Senate:

January 26 Gov. James V. Allred had 41,969 persons 65 years up on relief rolls in Texas. Texas Almanac 1930 reports 232,459 persons 65 years up. Total number unemployables on relief rolls December 1934 was 55,270, including 21,682 persons 65 years up not regularly employed who cannot secure physician's certificate good health. No figures available on unemployables not on relief. Cannot forecast what legislation will be passed covering your other questions.

ADAM R. JOHNSON.

STATE OF VERMONT,
EXECUTIVE DEPARTMENT,
Montpelier, January 30, 1935.

Hon. EDWARD P. COSTIGAN,
United States Senate, Washington, D. C.

DEAR MR. COSTIGAN: We have checked over in an effort to get the latest reliable figures to answer your telegram of January 22.

We find that according to the latest figures there are: 46,361 over 60, or 12.88 percent of total; 19,873 over 70, or 5.52 percent of total; 4,725 over 80, or 1.31 percent of total; 1,747 over 85, or .49 percent of total; total population of 1930—359,611.

In regard to the unemployed, at the present time, according to the best figures available we have the following: 10,824 men and 1,678 women. These are all less than 65. We have no figures available at the present time of those who may be definitely classified as unemployables.

The State of Vermont has been operating on a pay-as-you-go plan without bonding or anything of that sort so at the present time it is rather difficult to find available source of revenue which would give adequate assistance to our unemployed here in Vermont. The State has made considerable use of the Federal grants and Federal aid during the past 2 or 3 years and it would be difficult at this time for the State to go ahead with the same expense.

Many of our legislators are very much interested in the Federal program and wonder just how they may know more about the program so that the State legislature may take advantage of whatever Congress may enact. We have several copies of the Wagner bill and wonder if you have some suggested act which would conform with the provisions of the Federal bill so that each would dovetail with the other.

If there is any further information that we could supply we would be very glad to do so.

Very truly yours,

LEON D. LATHAM, Jr.,
Executive Clerk.

RICHMOND, VA., January 25, 1935.

Hon. E. P. COSTIGAN,
United States Senator:

Answering your wire of 22d, we have approximately 116,000 persons over 65. Unemployables from 16 to 65, 89,000. Virginia not

prepared to give adequate assistance to unemployed if all Federal aid immediately discontinued. We think proposed pension plan would impose tax burden that would be exceedingly difficult to meet. Our legislature does not meet in regular session until next January.

GEORGE C. PEERY, Governor of Virginia.

STATE OF WASHINGTON,
EXECUTIVE DEPARTMENT,
Olympia, January 22, 1935.

Hon. EDWARD P. COSTIGAN,
Senate Office Building, Washington, D. C.

DEAR SENATOR COSTIGAN: I am pleased to enclose herewith detailed information as requested in your telegram received today. This information has been compiled by the Washington Emergency Relief Commission, and I am sure you will find it accurate and dependable.

I shall be happy to cooperate so far as possible to promote the President's social-security program, which seemingly has the approval of the people in the State of Washington.

Cordially yours,

CLARENCE D. MARTIN,
Governor of Washington.

STATE OF WASHINGTON.

Question 1. Estimated number of persons over 65 years of age in Washington.

Answer. One hundred and ten thousand, of which approximately 11,000 are eligible for pensions under provisions of present State law.

Question 2. Approximate number of unemployables of all kinds in Washington, excluding unemployables 65 years or more?

Answer. Twenty thousand unemployable families and singles now receiving public relief.

Question 3. Whether, and to what extent, if at all, Washington as a whole and with aid of subdivisions will not be prepared, and if not why not, to give adequate assistance to unemployed in Washington satisfactorily, as compared with previous combined State assistance and Federal grants in aid, if and when Federal aid to unemployables is withdrawn, leaving Washington responsible for care of such unemployables?

Answer. Our State program calls for new annual provision of \$5,000,000, which, together with aid of subdivisions, might only be expected to maintain present standards of relief to our 20,000 unemployables. This means that adequate assistance to employable unemployed persons in the State of Washington would depend entirely on Federal assistance. Our State laws deny right of legislature to bond, and recent initiative of people limits tax levies.

Question 4. How far and how soon, by legislative enactment or otherwise, Washington will be prepared to join Federal program for pensions for persons now 65 or more years of age under which Federal Government would contribute not exceeding half of State pension allowances of not more than \$30 per month?

Answer. Eleven thousand possible eligible for our matching at \$15 per month equals \$165,000 or \$2,000,000 for year.

STATE OF WISCONSIN,
EXECUTIVE OFFICE,
Madison, January 26, 1935.

Hon. EDWARD P. COSTIGAN,
Senate Office Building, Washington, D. C.

DEAR SENATOR COSTIGAN: At the direction of Governor La Follette, I am submitting the following information in reply to your telegram:

(a) Your first request is for an estimate of the number of persons over 65 years of age in Wisconsin. The best estimate which this office can make and have corroborated is that at the present time there are 215,000 persons 65 years of age or over in Wisconsin.

(b) The second request is for an estimate of the approximate number of unemployables in Wisconsin, excluding unemployables 65 years of age or over. Careful search of preliminary reports issued by the President's Committee on Economic Security reveals that what are to be considered as unemployables are those persons in families where there is no person employed or seeking employment, or only a woman who is needed to take care of minor children. These are mainly fatherless or deserted families or aged single persons. The President recently announced that approximately 20 percent of those party or wholly on Federal relief are to be returned to the States to be cared for, since this number of people are unemployable.

After some research into the matter, it appears that the ratio for Wisconsin is materially lower. A survey conducted last May indicated that of those from 16 to 64 who were on relief in three large Wisconsin cities from 8 to 11 percent were neither employed nor looking for work. For the State as a whole 10 percent seems a reasonable percentage for use as an estimate.

In the month of December 1934 approximately 429,000 residents of Wisconsin were recipients of relief. If 10 percent of these be assumed to be unemployable, there are about 40,000 unemployables on relief rolls. Of these, part are minor children in families eligible to receive the aid to dependent children (mothers' pension) and part are elderly persons over 65 years of age. The fact that the mothers' pension is being paid for aid to some 20,000 children in over 8,000 families accounts for one reason why Wisconsin may be expected to show a lower ratio of unemployables on relief than is true for many States. Several counties have discontinued payment

of the aid to dependent children and some have transferred eligible families to outdoor relief. It appears probable that there are some 5,000 children in about 2,000 such families now on relief. The mothers' pension will have to be restored to them in order that Wisconsin may qualify to receive the grants in aid for mothers' pension that will be made available if the economic security act, bill S. 1130, now before Congress, is adopted. This means that mothers' pensions will have to be paid in adequate amount for 25,000 children in 10,000 families (assuming present standards of eligibility). With one mother per family there will be at least 35,000 persons to be cared for by this aid.

The studies made last May indicated that approximately 4 percent of persons on relief are 65 years of age or more. The three Wisconsin cities surveyed showed an average of 2½ percent of those on relief who were over 65. Since these cities were in counties paying old-age assistance, that average may be too low for use for the State as a whole. Probably between 3 and 4 percent represents a more acceptable estimate. This would account for about 15,000 more of the unemployables on relief.

In 1933 the eight counties paying old-age assistance gave the aid to 1,971 old persons. During 1934 it is estimated in the absence of final tabulations for that year, that 2,100 persons received the pension from those eight counties. One percent approximately of the old people in the State receive the pension. Another 7 percent were on relief. A considerable number in addition may be assumed to be eligible for an old-age pension. In other words, 10 percent at least of the old people in Wisconsin may be considered eligible to receive the old-age pension under the proposed legislation. In the State of New York old-age pensions are being paid to approximately 14 percent of the old people qualified by age. A liberalization of age and other eligibility requirements can be expected to increase greatly the number of eligibles. The counties now paying old-age assistance are giving it to about 6 percent of the persons over 70 years of age in those counties.

In summary, Wisconsin's unemployables may be grouped as follows:

1. Thirty-five thousand persons made up of children and mothers, as well as occasional cases of completely disabled fathers in families eligible for mother's pension.
2. Two hundred and fifteen thousand old persons over 65, of whom at least 10 percent, or 20,000, can qualify immediately for old-age pensions.
3. Approximately 25,000 persons in families where there is no one able to work but where for age or family-membership reasons there is no eligibility for either the mother's or old-age pensions. The provision of aid to this group will be a local and State problem of a quite distinct sort.

The following appears to be a reasonably conservative estimate of the cost of the two pensions:

1. Aid to 25,000 children at an average of not less than \$15 per month, or \$180 per year (in 1933 the rate was \$10.92 per month, which was admittedly inadequate in many counties), which will amount to \$4,500,000, as compared with slightly over \$2,000,000 in 1933.
2. Old-age pensions to 20,000 persons at \$25 per month, or \$300 per year (1933 average for eight counties was \$19.60 per month), \$6,000,000 for 1935.

(c) It is doubtful if adequate legislation can be enacted before June 1 which would qualify Wisconsin for receipt of Federal grants and aid, provided the Federal legislation is enacted before April 1.

Yours very truly,

THOMAS M. DUNCAN,
Secretary to the Governor.

CHEYENNE, WYO., January 22, 1935.

HON. EDWARD P. COSTIGAN,
United States Senate:

Answering, approximately 8,700 persons in Wyoming over 65 years of age. Approximately 1,500 unemployables under 65. Approximately 1,200 unemployables over 65, of which 700 now receive old-age pensions averaging \$12 per month. Above figures do not apply to persons in State institutions. Wyoming will be prepared after April 1 to give adequate assistance to unemployables in State, but not able to contribute any considerable amount toward work-relief program. Also after April 1 Wyoming will be prepared to join Federal program for pensions for persons now 65 or more under which Federal Government would contribute one-half of pension allowance not exceeding \$30 per month.

LESLIE A. MILLER,
Governor of Wyoming.

Mr. COSTIGAN. Similarly, I ask for the insertion in the RECORD of a summary of statements in an article in Today of January 12, 1935, carrying conclusions based on like inquiries of Mr. Joseph N. Clark.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From article entitled "Relief: The Nation's Step-Child", by Joseph M. Clark, in Today, Jan. 12, 1935]

In answer to the query, Do you favor returning the relief problems to States and cities, replies from the Governors were to the following effect:

NEW ENGLAND

Maine: Relief activities must for present be carried on jointly * * * by private welfare organizations, municipalities, State, and Federal Government.

Vermont: No.

New Hampshire: Opposed to Federal Government returning to States and local political subdivisions the entire burden of caring for emergency relief.

Rhode Island: Believe time has not yet come for Federal Government to abandon all share in relief.

ATLANTIC STATES

New York: Discontinuance of Federal aid is unthinkable. Essential that full cooperation between Federal, State, and municipal Governments be continued.

Pennsylvania: Few cities and States can bear the whole cost of relief.

New Jersey: Willing to do all it can to help in matter, but cannot carry on unassisted.

Delaware: Governor Buck: "I am of the opinion that Federal Government should never have taken any part in State relief problem unless it had been to loan to States such moneys as they needed. * * * Desirable that some new policies be inaugurated, as Federal Government cannot continue indefinitely to support one-tenth of population."

SOUTH

Maryland: Maryland not only desires but needs all help it can possibly receive from Federal Government.

Virginia: Not as long as present emergency continues.

West Virginia: Governor sees the problem as a complex matter.

North Carolina: Might be able to assume larger share of its relief burden, if State and Federal tax revenues were adjusted differently.

Georgia: Yes—presumably meaning that that State is ready to assume the relief burdens within its boundaries.

Florida: Continued Federal aid is imperative.

Missouri: Not yet in condition to carry entire relief load.

Texas: Does not favor recent proposal that relief work be returned to States.

EAST CENTRAL

Wisconsin: Unless there is prompt and marked improvement in employment, necessity will compel an increase rather than a decrease in Federal aid to localities.

Michigan: Wants more information regarding nature of proposal of business groups before answering.

Illinois: Cannot consider shouldering the whole of her relief burden at this time.

Indiana: Both State and Federal Governments have definite obligations. Does not favor return of relief problems to States and cities.

Ohio: Desirable as it may be to return relief problems to States and cities, it is utterly impossible for them to bear the enormous present cost.

WEST CENTRAL

Iowa: One of the chief benefits from present Federal relief policy has been, and is, education of States in efficient social welfare administration. * * * This course of education should be continued.

Minnesota: The proposal that Federal Government return relief problems to States and cities represents reactionary viewpoint of men who fear an increase in income-tax rates if Federal Government continues relief grants.

Kansas: It is a waste of time to argue over who ought to pay for relief when the cost is so great it must be borne by all.

South Dakota: Needs help and must continue to receive it.

North Dakota: Does not favor return of relief by Federal Government to States and cities as believes this would ultimately mean the dole.

MOUNTAIN

Wyoming: Is already making plans to assume again its own relief load.

Colorado: Due to drought and depression, Colorado and her municipalities are not in shape to carry whole relief load.

Montana: Emphatically, no.

Nevada: Does not favor Federal Government returning relief problems to States and cities.

Oklahoma: Does not favor Federal Government returning entire relief problem to States.

Utah: Does not favor return of relief problems to States.

New Mexico: Opposed to proposed change.

Arizona: Impossible for this State to provide relief for her unemployed.

Idaho: The States can properly be called upon to take care of indigent poor, as they have in past, but responsibility of taking care of unemployed must rest with Federal Government.

PACIFIC

Oregon: Until conditions improve sufficiently to enable States * * * to assume this responsibility, it is necessary and right that Federal Government assume reasonable proportion of relief load.

Washington: No. Counties and cities there are unable to provide money for relief.

Mr. CUTTING. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter from the

Public Education League concerning the amendment relating to public schools, which was debated the other day, including an excerpt from the testimony from Mr. Harry L. Hopkins before the Committee on Education on March 21.

There being no objection, the letter and excerpt were ordered to be printed in the RECORD, as follows:

PUBLIC EDUCATION LEAGUE,
Washington, D. C., March 21, 1935.

Senator BRONSON CUTTING,
Senate Office Building, Washington, D. C.

DEAR SENATOR CUTTING: Although you are aware of my deep interest in the matter, I feel that I must say an added word in regard to your successful effort on the floor of the Senate yesterday in behalf of making available the sum of \$40,000,000 to enable the States to maintain their public schools for the remainder of the current school year. To my deep-felt personal thanks I wish to add the very great appreciation of the Public Education League and its chief sponsor, Hon. Ross A. Collins.

There can be no doubt of the immensely helpful service you have rendered to the cause of public education, the teachers engaged in it, the children dependent upon it, and the communities benefited by it.

In the debate yesterday certain fears were expressed regarding the possible effect of the passage of your proposal on the aid to school teachers now being granted by the Federal Emergency Relief Administration. You will, I am sure, be glad to have further assurance that these fears are unjustified. I attended this morning a hearing before the Education Committee of the House. The only testimony at that hearing was given by Federal Relief Administrator Harry L. Hopkins. His forthright and clear-cut statements, a copy of which I enclose, are convincing proof of the soundness of your position.

Very sincerely yours,

RICHARD W. HOGUE,
Acting Director.

STATEMENT OF HON. HARRY L. HOPKINS BEFORE THE COMMITTEE ON
EDUCATION, MARCH 21

F. E. R. A. aid to schools has been given under the power granted in the Federal Relief Act to place school teachers on relief rolls.

We have taken an arbitrary stand against granting aid to schools in cities. They can manage to keep open. We have tried to get States to reorganize their tax systems or impose new taxes to take care of the future.

We have had to deal with the whole question solely on the basis of relief to those in need. The school teacher is dealt with as an individual in need and we have the power and responsibility of determining the merit and extent of the need. We can give no aid for maintenance of buildings equipment, transportation, or other school needs.

I realize that there are very undesirable features in the present arrangement. First of all, the placing of teachers on relief rolls is anything but desirable. They are paid by relief checks. This is not the way to meet the school problem. Secondly, the F. E. R. A. is not set up as an agency competent to deal with school problems. The Office of Education is equipped to do this. We have a man assigned to help us by that Office.

Teachers should not be identified with relief. This was made necessary by the fact that Congress did not wish to provide direct aid. I feel that our office has no business handling this problem. The law, however, forbids us to turn over funds to another department of the Government. We'll do the best we can, if Congress desires us to handle the job.

The VICE PRESIDENT. The joint resolution is still before the Senate and open to amendment.

Mr. THOMAS of Oklahoma obtained the floor.

Mr. STEIWER. Mr. President, I inquire who has the floor?

The VICE PRESIDENT. A day or two ago the Senator from Oklahoma [Mr. THOMAS] gave notice that when all other amendments to the joint resolution had been considered it was his desire to offer an amendment in the nature of a second title to the measure. The Senator from Oklahoma is now recognized for the purpose of offering his amendment.

Mr. THOMAS of Oklahoma. Mr. President, when I gave that notice I made the statement that when the joint resolution had been perfected and before the question was put on its engrossment and third reading I should offer an amendment. I am willing to yield in the event any other Senator desires at this time to submit an amendment to the text of the joint resolution.

The VICE PRESIDENT. Does any other Senator desire to offer an amendment to the text of the joint resolution at this time?

Mr. McNARY. Mr. President, I do not wish to suggest anything contrary to the desires of the Senator from Okla-

homa, but I do not believe other Senators may be precluded from offering amendments merely because the Senator from Oklahoma gave notice that he desired to offer a particular amendment at a particular time. The Senator from Nevada [Mr. McCARRAN] and my colleague [Mr. STEIWER] wish to offer amendments when the Senator from South Carolina [Mr. BYRNES] is present in the Chamber. Certainly those amendments may be offered at any time before the joint resolution is ordered to be engrossed and read a third time.

The VICE PRESIDENT. That is correct. They may be offered at any time before the joint resolution is ordered to be engrossed. The Chair understood the Senator from Oklahoma to state that he preferred that the joint resolution be perfected before he offered his amendment as a second title to the joint resolution.

Mr. THOMAS of Oklahoma. Mr. President, my understanding of the rule is that at any time before the joint resolution is ordered to be engrossed, amendments are in order.

The VICE PRESIDENT. That is correct.

Mr. THOMAS of Oklahoma. And even after the amendment which I propose to introduce shall have been acted upon, if Senators desire still further to suggest or offer amendments, under the rule that may be done.

The VICE PRESIDENT. The joint resolution will be open to amendment until its engrossment shall have been ordered, and even then amendments may be offered by reconsideration of the vote by which the joint resolution was ordered to be engrossed and read a third time.

Mr. McNARY. That is very satisfactory, of course.

Mr. THOMAS of Oklahoma. Mr. President, the time I shall occupy will be devoted to consideration of the provisions of the joint resolution and the effect of those provisions. I have pending upon the table an amendment which at a later moment I shall ask to have read to the Senate, but not now unless, perchance, the Chairman of the Appropriations Committee should see fit to accept my amendment. [Laughter.]

I receive only smiles in reply. In the absence of the acceptance of my amendment, let me say that the distinguished Chairman of the Committee on Appropriations has admitted upon the floor time and time again that he is not a parliamentary expert. I am constrained to believe that he is not experienced in parliamentary strategy.

Mr. GLASS. Mr. President, I may say to the Senator that I am parliamentary expert enough to take advantage of any Senator to accept his amendment with the certainty of having it go out in conference, but I did not want to treat the Senator from Oklahoma in that way.

Mr. THOMAS of Oklahoma. Mr. President, a great general should always know of the weakness of his position. I am constrained to believe the distinguished Chairman of the Appropriations Committee is not aware of the weakness of his position at this moment. In a few moments I shall call up the amendment which is now upon the table. At this time I ask unanimous consent to offer a second amendment to the joint resolution under title II if the first amendment be defeated.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oklahoma?

Mr. ROBINSON. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. THOMAS of Oklahoma. Then I shall read the proposed amendment and at a later time I shall call it up when I have the right so to do. I have not as yet offered my first amendment, but I have announced that I shall discuss the provisions of the joint resolution and the effect of those provisions. At a later moment I shall call up my amendment, which is now upon the table.

Mr. KING. Mr. President, has the Senator's second amendment been printed?

Mr. THOMAS of Oklahoma. It is printed in the form of a bill, but not in the form of an amendment.

My amendment is headed:

Amendment intended to be proposed by Mr. THOMAS of Oklahoma to the joint resolution (H. J. Res. 117) making appropriations for relief purposes:

"Part II—Financing—Expansion of currency thereby making it possible for the people to secure funds for payment of taxes necessary to balance the Budget and to meet the interest and principal of the bonds made necessary by the appropriation made in section 1 of this act."

Then follows the text of Senate bill 2, introduced by myself on the first day of the session, when it was in order to introduce bills. Senate bill 2 is, word for word, a copy of House bill 1, known as the "Patman bonus bill." I shall not take the time now, in consideration for the Members who do me the honor to listen to me, to read the amendment; but at the proper time I shall consider it from my standpoint as having been submitted and as lying upon the table. In the event the amendment I already have upon the table, when called up and acted upon, should be defeated I reserve the right to call for consideration of the amendment in the form to which I have just alluded.

Mr. President, our trouble is monetary. Two days ago an amendment was offered by the distinguished Senator from New Mexico [Mr. CUTTING] earmarking a part of this gigantic appropriation to pay the costs of running schools in the United States. In the discussion of that amendment it developed that New Mexico was not the only State involved. Mississippi plead guilty that that great State likewise needed money to maintain the school system of Mississippi. Not only were the States of New Mexico and Mississippi involved; the distinguished senior Senator from Massachusetts [Mr. WALSH] advised the Senate that school teachers in that great State—the State of Webster, the State of Coolidge, and other distinguished men—have not been paid for 6 months.

Why are not the teachers being paid in New Mexico? Why are not the teachers being paid in Mississippi? And why are not the teachers being paid in Massachusetts?

I have just received a telegram from my own State, from the State superintendent of public instruction of Oklahoma, John Vaughan. The telegram reads as follows:

Public-works program in relation to schools is a longer planning program than most other public works. It is urgent that funds be earmarked for public-school buildings. Oklahoma can share profitably in its part of \$600,000,000 proposed earmarked funds for school buildings.

I have received a similar request for money with which to pay the teachers in my State.

Mr. President, why are these teachers not being paid? If the school boards had money, the teachers would be paid. The school boards have not the money. They either do not want to or cannot borrow the money, or for some other reason the teachers are not being paid; but that is not all, Mr. President. The teachers are not the only ones who are suffering.

Mr. President, why is it that there is not enough money in the country to pay the teachers to teach the youths of America?

The United States in the past 2 years has announced and followed a policy of making things scarce to make them high. It has killed 6,500,000 pigs to make pigs scarce, to make hogs high, and to make bacon high. It has killed cattle by the thousands to make cattle scarce, to make cattle high, and to make beefsteak high. It has curtailed the production of cotton to make cotton scarce, to make cotton high. It has curtailed the production of wheat to make wheat scarce, to make wheat high. The administration has adopted the economic policy of making products scarce to make them high, and the same policy has been adopted with regard to money.

Money is scarce; and, because money is scarce, money is high. It is so high that the taxpayers in New Mexico cannot get it. They cannot raise enough stuff in New Mexico to get money to pay the teachers in that State. They cannot raise enough cotton in Mississippi to sell it, at the price for which they have to sell it, for enough money to pay the teachers in Mississippi. I am not sure what is raised in Massachusetts, great State that it is; but the good people of Massachusetts evidently cannot produce goods or cannot catch fish and sell them for enough money to pay the teachers in the State of Massachusetts. Yet we are told

that the country is full of money, that the banks are full of money, and that our trouble is not monetary.

Mr. President, the present Congress has spent 8 weeks—2 months—in the consideration of the pending joint resolution. The Senate has spent 7 weeks in the consideration of the joint resolution—a joint resolution to appropriate approximately \$5,000,000,000—yet in the consideration of this measure, and it is not long, proposing to spend \$5,000,000,000, how much time has been given to the consideration of the question whence the money is to come to pay the amount carried by this joint resolution? Aside from the efforts of the distinguished Senator from Colorado [Mr. ADAMS] and, I think, one or two other Senators who have spent some time in the consideration of the problem of financing this gigantic appropriation, no time was given in the committee, no time has been given by the Senate to the consideration of the all-important problem: How will the Nation finance the payment of this \$5,000,000,000 appropriation measure?

Mr. President, the Congress is the policy-making branch of this Republic. This great Nation of ours is like unto a corporation. The Constitution is the charter. The laws passed by the Congress are the bylaws of the corporation. The Congress of the United States is the board of directors of this gigantic corporation. Hence the Members of the House and the Members of the Senate are nothing more than members of the board of directors of the United States corporation.

Congress may appoint agents, but agencies may be terminated. Administrations come and go. They do not last forever; but the Congress has been here for 150 years or thereabouts, and I trust the Congress may go on forever. It is the duty, the responsibility of Senators to act in the capacity of members of the board of directors of the United States chamber—I might say—of commerce, because that is all the corporation is, after all; to act as the board of directors of the United States Government.

Under the charter of this corporation the Congress has some specific and definite and important powers. The first one is to appropriate money; the second one, perhaps, is to raise money to meet the appropriations; the third important power is the power to coin money; and perhaps the fourth important power is the power to regulate the value of the money thus coined.

Mr. President, the Congress is responsible for the kind of money we have; the Congress is responsible for the amount of money we have, and the Congress is responsible for the value of the money we have. Again I say, our trouble is monetary. We have not enough money. Does anyone controvert that statement?

Go out and interview the twenty-two or twenty-three million people now upon the dole, and ask them if they have enough money. Interview the ten or eleven or twelve million unemployed in these United States; ask them if they have enough money. Ask the farmers of the Nation if they have enough money. Ask the school boards in New Mexico if they have enough money. Ask the school boards in Mississippi, the school boards in Massachusetts, and the school boards in my State. What will be the answer? But one answer, and one alone; and that answer is, "No!"

Mr. President, if the people have not enough money, who is responsible? The responsibility rests upon the Congress of the United States. It rests upon the Senate of the United States; and I am glad I have the privilege of speaking to so many Senators, because we do have a respectable executive Finance Committee if they will stay and listen to me for a little while.

Mr. President, the pending joint resolution proposes to appropriate \$4,880,000,000. How much is \$4,880,000,000? This joint resolution proposes to appropriate more money than there is in circulation within the confines of continental United States. As I proceed, if I make a statement that jars the conclusions or opinions of Senators, I shall be very glad to have them challenge my statements, and I will give them the proof if I have it. I welcome suggestions or questions or statements in my time.

Mr. FLETCHER. Mr. President, may I interrupt the Senator there?

Mr. THOMAS of Oklahoma. I gladly yield to the Senator from Florida.

Mr. FLETCHER. With reference to the supply of money, the member banks of the Federal Reserve System now have excess reserves of more than \$2,000,000,000. This gives them a basis for expanding their loans and investments some \$20,000,000,000 beyond the present level before being deterred by reserve requirements under the law. That is the situation as to the banks.

Mr. THOMAS of Oklahoma. Yes, Mr. President. The Rand mines perhaps are full of gold. Alaska perhaps has untold billions of gold. The State of the distinguished Senator who is now presiding over this body, Nevada, perhaps has untold billions of gold and silver; but who can get it? Can anyone get it? Why, in these United States now, in our strong box, we have more than eight and one-half billions of gold; but who can get that gold?

Here are the figures; but before I read the figures I desire to call attention to an article appearing in the newspapers this morning. It is on the financial page, and it is from the writings of Mr. B. C. Forbes. Mr. Forbes is a distinguished monetary expert. It seems that the distinguished Senator from Massachusetts [Mr. WALSH] received a letter from one of his constituents, and in some way this letter came into the possession of Mr. Forbes, and Mr. Forbes quotes from the letter from the files of the Senator from Massachusetts. The statement is as follows:

Senator WALSH has received from one of his constituents and a reader of this column, George W. Stetson, a letter which asks—

This is what the letter asks:

Do any of us realize what \$5,000,000,000 means? A dollar bill is 6 inches long. If we had a small printing press on wheels turning out a continuous uncut strip of \$1 bills, it would have to travel around the Equator 19 times in order to leave 19 bands of \$1 bills in an unbroken strip behind it, to grind out the total sum.

If private industry is to be destroyed, where are the taxes coming from to pay even the interest on our Federal debt of \$30,000,000,000, which alone would equal every year the encircling of the globe with five bands of a continuous strip of \$1 bills?

Mr. GORE. The Senator did not mention the name of the newspaper from which he was reading.

Mr. THOMAS of Oklahoma. This is taken from the Washington Herald of this morning, I believe. I have the clipping, which someone handed to me. It is from the column prepared and submitted, perhaps to a number of papers, by Mr. B. C. Forbes.

Mr. President, Mr. Forbes says that this appropriation would make in dollar bills enough money to circle the globe 19 times at the Equator. Then he says that to pay the interest alone it would take another band of \$1 bills going around the globe at the Equator five times.

I made the statement a moment ago that there is not enough money in circulation in continental United States to pay this one appropriation. Here are the facts: Yesterday afternoon at 4 o'clock there was in circulation, according to Treasury reports, the sum of \$5,453,000,000. That is all the money there is outside of the Treasury.

Where is that money? According to the best estimates, \$500,000,000 is abroad. That means in Alaska, Hawaiian Islands, the Philippines, Cuba, and the other nations of the world; \$500,000,000 of the amount of money in circulation is not in this country, it is abroad. We cannot get it; it is not possible for us to get it.

Then, according to another estimate, a billion dollars is hoarded. That is here, but we cannot use it.

There is in the banks the sum of \$714,000,000. Under the law the banks must keep that money, because it is not possible for them to get more to replenish it, so the money they have in their vaults for exchange purposes must be kept there. It is in the continental United States, it is true; but if we take the amount of United States money abroad, \$500,000,000, and the gold certificates, amounting to \$127,000,000, which, theoretically, are still in circulation, though not really—the certificates may be lost; they may be destroyed;

they may be in foreign countries—and if we take the billion dollars which are hoarded, \$714,000,000 in the banks, which cannot be withdrawn, the law requiring it to be kept there, the law keeping it locked in the vaults of the banks, and then take the gold certificates, \$127,000,000, we have a total of \$2,341,000,000, which we cannot get, which it is impossible to get. Subtract that sum from the total sum in circulation and it leaves \$3,102,000,000, which is the amount of money the people have a chance to get somewhere at sometime. That is all the money the people have a chance, even, to get in order to meet this gigantic appropriation.

Mr. President, instead of the Government placing more money in circulation from day to day, money is getting scarcer. There is less money in circulation today than there was on the first of this year. There is almost a billion dollars less money in circulation than there was when we started to make money more plentiful 2 years ago. I well remember when I stood upon this floor and argued for more money, and we started on a program of placing more money in circulation, as I thought and as the country thought; but after 2 years we find there is a billion dollars less today than there was 2 years ago. There is \$81,000,000 less in circulation at this hour than there was in circulation on the 1st of January of this year—3 months ago. Yet some people wonder why the dollar is getting dearer in place of getting cheaper. The dollar at this moment is going up in buying power. Two weeks ago the dollar was worth 125.6 cents in buying power. Two days ago the dollar was worth 125.9 cents.

We have heard about inflation; but, Senators, deflation is the thing that is on us. Deflation has been on us for these years. It is on us now. Everything Congress does is deflationary. The whole policy of the United States is one of deflation.

Since we started on the policy of making money more plentiful we have taken all the gold money out of circulation. That is deflationary. We have taken all the gold certificates out of circulation. That is deflationary, because no other money has been placed in circulation to take the place of the gold withdrawn. No other money has been placed in circulation to take the place of the silver and gold certificates which have been withdrawn. That is the reason why the amount of money in circulation today is a billion dollars less than it was 2 years ago. Yet people wonder why it is that they have not any money; they wonder why it is they cannot get money. It is because the money does not exist.

I made the statement a moment ago that there was not enough money in practical circulation to meet the requirements of the pending appropriation measure; and I pause for anyone to challenge that statement.

I will make another statement: There is not enough money in all the banks of the United States at this hour to pay the interest on the national debt for 1 year. Does anyone challenge the statement that at this hour there is not enough money in all the banks of the United States—15,000 of them—to pay the interest on the national debt for 1 year?

When I speak about money, I refer to the kind of instrument with which one could buy a ticket to New York, which means paper money or silver money. Those are the only kinds we have now. There is no gold money in circulation, and no gold certificates in circulation, but if there were gold certificates in circulation they would be paper money nevertheless. That is the reason why I have chosen to spend some little time in discussing the question of the condition of the finances of the United States.

Mr. President, let me call attention to a second fact. Two years ago we passed a bill providing for the devaluation of the gold dollar. That meant reducing the number of grains of gold in the gold dollar, because at that time we were on a gold standard in the United States. The Gold Standard Act was passed in 1900, and by that act it was provided that the gold dollar should contain 25.8 grains of gold 0.9 fine, and that that number of grains of gold should be the

standard of all the money in the United States. So when we passed the bill 2 years ago providing for devaluation that was the size of the dollar we had. Congress authorized the President to reduce the content of the gold dollar as much as 50 percent, to cut the gold dollar in two, and make two dollars out of one.

When I presented the amendment on a former occasion, I used some illustrations in order to make my point clear, and I choose to follow a similar course today. I now exhibit to the Senate a piece of cardboard about the size of a dinner plate. In order that Senators may know what I am talking about I will, for the purposes of my argument, call this piece of cardboard a gold dollar.

This piece of cardboard the size of a dinner plate contains, for the purposes of my argument, 25.8 grains of gold 0.9 fine. We gave the President power to cut this gold dollar in two and make two dollars out of one, and if he had exercised that power, I will show Senators by folding the cardboard what the President would have done with the gold dollar. He would have cut the gold dollar in two, and the new gold dollar would have been one-half of the old gold dollar.

The President did not see fit to cut the dollar exactly in two and make two equal halves. He saw fit to take only 40 percent out of the gold dollar and to leave 60 percent of gold in the gold dollar; and if Senators can see what I am attempting to show them, they will notice that this cardboard is so cut as to indicate the amount of gold the President took from the gold dollar. He took the amount which I now exhibit to the Senate, which represents 40 percent of the old gold dollar. In effect, he took this much out of each gold dollar and put the 40 percent in a separate pile. But before he did that, of course, he called the gold in. He could have taken this much out of the gold dollar [indicating]. Every American dollar one gets abroad is a gold dollar. Every dollar we get at home is not a gold dollar but a commodity dollar, and these two dollars have different values. The dollar abroad does not have the same value today as has the domestic dollar. It has the value of 15.521 grains of gold. But here at home the dollar has no relation to gold. It is not redeemable in gold. One cannot get gold for his dollar. So the dollar we have today has no relation to gold. It is not backed by gold. Possibly we have the gold in the Treasury, but it is not where people can get it.

When the President took this much of the gold dollar out of it he reduced the value of the dollar by 40 cents. At that time we had \$40,000,000,000 of money in circulation. It was called "money." It was mostly credit in the banks. We had five billion plus dollars of real money, and about \$35,000,000,000 of credit or deposit money, which made a total of \$40,000,000,000.

When the President issued his order and reduced the value of each dollar by 40 percent, as he thought, how much buying power did he destroy by that act? Multiply \$40,000,000,000 by 40 percent. The product is \$16,000,000,000. So, when the President issued his order reducing the value of the American dollar 40 percent, he reduced the value of the bank deposits, as he thought, no doubt, the 40 percent, and that 40 percent amounts to \$16,000,000,000 destroyed. If that was not the result, then the President no doubt was mistaken in his policy. But to the extent that he was correct, he by that act destroyed the value of the bank deposits, if not 40 percent, upward toward 40 percent, and if not the total sum of \$16,000,000,000, a sum approximating \$16,000,000,000.

After devaluation the people owning bank deposits did not have, and do not now have, the buying power they had before the 40-percent reduction. The only way the President could have restored that \$16,000,000,000 of value which he took from the dollar was to put the gold money back in circulation or put paper money in circulation to the extent of the value represented by so much gold. He did not do so; he has not done so; and today, after 2 years, deflation is still running. The people who had bank deposits have buying power as represented by those bank deposits in the approximate sum of \$16,000,000,000 less than they had when we started our program of making money

cheaper. And yet some people wonder why prices have not gone up!

I am not criticizing the policy of the President. If we had not passed that monetary amendment 2 years ago, I doubt whether we would be here in the Senate today. I doubt whether the Senate would be in session if that amendment had not been adopted. Had we not adopted that amendment or some other amendment accomplishing the same thing or approximately the same thing, we would still be on the old gold dollar. It would have contained the same amount of gold as before—25.8 grains of gold, 0.9 fine. What effect would such a dollar have today upon prices?

Take wheat, for example. Wheat is a world commodity. The price of wheat is not fixed in the United States; it is fixed throughout the world; and the price of wheat is based upon gold. The price of wheat on every exchange in the world is fixed upon gold. A bushel of wheat is worth so many grains of gold throughout the world, making allowance for transportation, insurance, and so forth.

I make the statement that had the Congress not ordered the devaluation of gold, and had the President not acted, the farmers of America, instead of receiving today 90 cents a bushel for their wheat, would be receiving less than 50 cents a bushel. Does anyone challenge that statement?

For fear that the RECORD will not show what I mean I will make one or two further statements. If one were in London today he could take 60 cents' worth of gold on the old valuation, the amount illustrated by this card, and buy a paper dollar. With that paper dollar he could buy a bushel of wheat and have 10 cents left. By this simple transaction he would have a bushel of wheat and 10 cents. If he converts his 10 cents back into gold he has 6 cents in gold. Take this 6 cents from 60 cents and it leaves 54 cents in gold. So had we not devalued the gold dollar, wheat today would be selling in the Northwest and in my State for 55 cents on the exchanges, and the farmers in Oklahoma have to pay the transportation, they have to pay the insurance. There would be about 10 cents a bushel deducted to pay those expenses, so that the farmers of the West and the farmers of Oklahoma instead of getting 55 cents would be getting in the neighborhood of 45 cents a bushel for their wheat.

Some Senators representing the cotton States are doing me the honor to listen to me. Had we not devalued the gold dollar, Mr. President, the cotton farmers of the South would not today be receiving 10 cents a pound for their cotton. Cotton is a world commodity. A bale of cotton is worth so many grains of gold throughout the world. Had we not devalued the dollar the cotton farmers of the South this afternoon would be getting less than 7 cents a pound for their cotton. And, Mr. President, suppose those prices had been maintained for the past 2 years, does anyone imagine the farmers' strikes yonder in Iowa and the far Northwest would have abated? I should hope they would have, but I fear they would not have. The farmers of the West cannot live on 45-cent wheat; the cotton producers cannot live on 7-cent cotton; and, because they cannot live on those prices, the strikes would not have abated. They would have become intensified, and I fear they would have reached Washington. Then the results can only be imagined.

I made the statement a moment ago that at this hour there is not enough money in all the banks of the United States—and there are around 15,000 of them—to pay the interest on the national debt for 1 year. By money, of course, I mean the kind of money one can use in dealing with a stranger. I am not talking about what is frozen in the banks; I do not know what is frozen there, but whatever the amount may be, it cannot come out at this time. It is not coming out now, and I am content to let it remain for the time being.

Mr. President, the record shows that the United States is in debt today, as evidenced by outstanding bonds and bills and notes, to the extent of \$28,500,000,000. It is estimated that by the end of the present fiscal year, which will be June 30, the national debt of America will be \$30,000,000,000. It

is estimated that at the end of the next fiscal year the national debt will be \$35,000,000,000.

I have a statement in my hands from one of the financial magazines, which shows that the banks hold half of the United States debt. Then I have another statement which purports to quote the distinguished chairman of our committee, the Senator from Virginia [Mr. GLASS], and I think it correctly quotes him. For the RECORD I will read this statement.

The existing outstanding indebtedness of the United States is approximately \$28,000,000,000.

Listen, Senators.

I am still quoting Senator GLASS—

of that amount, \$15,364,000,000 is piled up in the banking institutions of the country. Some of the banks have as much as 60 percent of their entire assets invested in Government securities.

So said Senator GLASS. At the end of this year, Mr. President, we will have a debt of \$30,000,000,000, and already the banks have more than \$15,000,000,000 of that indebtedness piled up in their vaults.

What is the interest upon this indebtedness? I am quoting from the Comptroller's report. On December 31 of the year 1934 the Comptroller estimated the total indebtedness to be \$28,478,700,000. Of that sum, the part that was interest-bearing was drawing interest in the sum of \$827,000,000. So already the total interest which we are now paying on the national debt is \$827,000,000.

How much money have the banks? Here is a statement from the Comptroller in which he said that the total which the banks of the United States have in their vaults as of date June 30, 1934, is the sum of \$714,000,000. Seven hundred and fourteen million dollars cash in their vaults! Interest, \$827,000,000! In other words, the banks not only do not have enough money with which to pay the interest but they lack over \$100,000,000. Yet learned gentlemen and even Senators will make the statement that the banks are full of money, and it is not the lack of money which is the trouble with the United States.

The report of the Comptroller of the Currency shows that all the banks have of deposit money, that is, imaginary money, confidence money, a total of \$46,000,000,000. Of this sum, \$17,000,000,000 are in demand deposits. So the banks only have \$17,000,000,000 which the people can go to the banks and write their checks for and secure. The balance, no doubt, is in time deposits which it takes some time to secure.

Mr. ADAMS. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Colorado.

Mr. ADAMS. I call the Senator's attention to the fact that in the \$46,000,000,000 are included some \$4,000,000,000 of interbank deposits which appear twice; so that the actual amount of deposits which may be drawn by individual depositors is not over \$42,000,000,000.

Mr. THOMAS of Oklahoma. I thank the Senator for his suggestion. He is absolutely correct. I did not care to go into the details. Much of this money has been placed in the banks by individuals in the form of deposits. The bank sees fit to carry a balance in a larger town. The money goes to a bank in the larger town and is recorded on its books, and then the bank in the larger town sends it to a still larger city, and it finally gets to New York. All the time these bank deposits are being pyramided, and, instead of being \$46,000,000,000, the amount is probably much less than \$42,000,000,000, and of that sum there are only \$17,000,000,000 of demand deposits, and the banks have over \$15,000,000,000 of bonds. In other words, the margin between the amount of bonds the banks hold and the amount of their demand deposits is approximately only \$2,000,000,000.

I wonder if that is the reason why the President called to the White House the distinguished Chairman of the Committee on Appropriations, had a conference with him, and told him that it would be dangerous for the Senate to approve the McCarran amendment, on the ground that if the McCarran amendment should be approved it would cost

a billion and a half dollars more than would the so-called "Russell amendment." There may be some connection between the two. The margin is getting slight; it is getting narrow.

The banks have \$17,000,000,000 on deposit and hold fifteen and a half billion dollars in bonds. There is a margin of only a billion and a half dollars between the amount of bonds they hold and the amount of their demand deposits, and the President, so the Senator from Virginia states, said that the credit of the country would not safely stand the adoption of the McCarran amendment, which would increase the appropriation, from the standpoint of some economists, by the sum of one billion and a half dollars.

Mr. ADAMS. Mr. President, will the Senator yield merely for an inquiry?

Mr. THOMAS of Oklahoma. I yield.

Mr. ADAMS. I should like to inquire whether or not the \$15,000,000,000 of bond securities held by the banks include securities held by the Federal Reserve banks, or is the computation limited to the commercial banks?

Mr. THOMAS of Oklahoma. It is my understanding that the \$15,000,000,000 in bonds referred to are the bonds held by commercial banks, the 15,000 banks of the country, the national banks, the State and private banks, and, of course, trust companies doing a banking business are either State banks or private banks.

Mr. ADAMS. If that were true, there is a much greater amount of bonds held by all the banks, if the Federal Reserve banks be included, because they hold very large amounts of Government securities.

Mr. THOMAS of Oklahoma. In order that the record may be complete, I will ask at this point to place in the RECORD the portion of the speech of the Senator from Virginia referring to the particular matter to which I have alluded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Mr. GLASS. Mr. President, I think I should say a word or two that will tend, I hope, to acquit the President of the United States of any suggestion or intimation of inconsistency in his attitude toward the respective opposing amendments to House Joint Resolution 117.

Distinguished lawyers, Members of this body, have failed to discern any material difference between the two amendments. Notably this may be gathered from the speech of the Senator from New York [Mr. WAGNER]; but a layman may discover this very practical difference between the two amendments. The President of the United States authorized me to say to the Senate that he would veto the one, and he authorized the leader on this side of the Chamber to say that he would approve the other. * * * In this connection he said that the additional expenditure of a billion and a half dollars would so tax the credit of the United States in the circumstances that he could not bring himself to approve the amendment.

I need not repeat the statements and accompanying figures which I used week before last in discussing this matter. The credit of the United States today is entirely taken care of by the banks of the United States, and not by the investing public. The Treasury issues are apportioned to the banks of the United States, and their portfolios are overflowing with Treasury securities. It is stated upon reliable and high authority that a depreciation of 10 percent in these securities would render insolvent 90 percent of the banks of the country.

If that should occur, Mr. President, let us see in a word what would happen to the laboring classes of the country. It would mean not only the break-down of the credit of the United States as a government but it would have disastrous effect upon every State, upon every municipality, upon every subdivision of every State. It would have disastrous effect upon every corporation, upon every individual concern that must transact its business by the issue of securities. It would mean a curtailment of employment instead of a cure for unemployment. It would be a vastly greater menace, and is today a vastly greater menace, to the working classes of the country than the 3,500,000 idle people now on the relief rolls, and that is menace enough.

So there has not been one particle of inconsistency on the part of the Chief Executive in signifying his opposition to one of these amendments, and his readiness to approve the other.

That is all I care to say.

Mr. FLETCHER. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Florida.

Mr. FLETCHER. In order to be definite and accurate regarding the holdings of Federal Reserve banks, let me

say that I have a statement from the Comptroller to the effect that the Federal Reserve banks, as of December 31 last, held \$2,450,000,000 of Government securities. The remainder are held by commercial and other banks.

Mr. THOMAS of Oklahoma. Further answering the inquiry submitted by the distinguished Senator from Colorado and commented on by the distinguished Senator from Florida, the Federal Board's statement of March 14 recounts that United States Government securities owned by the Federal Reserve System amount to \$2,430,000,000, and that is in addition to the fifteen and one-half billion dollars owned by the 15,000 National, State, and private banks of the United States.

Mr. President, the pending joint resolution, I may say, carries \$5,000,000,000; but that is not the only money this session of Congress is appropriating. When we shall have concluded our labors we will have appropriated at least four and one-half billion dollars more. Then add the four and one-half billion regular appropriations to the five billion special appropriation, and what will be the sum when we shall have concluded our efforts? The total appropriations by this session of Congress will be somewhat in excess of \$9,000,000,000. We only have five and one-half billion dollars in circulation. Of that sum only three billion are where people can get the money. The total amount of money in circulation throughout the entire United States, which the people can possibly get, is one-third the amount of money the Congress will appropriate at this session for all the purposes for which money is being demanded.

Mr. KING. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. THOMAS of Oklahoma. I gladly yield.

Mr. KING. Is it quite accurate to say that there is only that much which the people may get? The reason I propound the question is that a gentleman who is a banker came to me a few weeks ago and said he had been trying to arrange loans. The bank had \$9,000,000 to loan and were very anxious to put it out at interest, because they were getting but little interest from much of their deposits, but he could not find anyone who would borrow.

There is, as the Senator has indicated, an abundance of money in the banks. The only question is furnishing the security which the banks require and which they are entitled to have, because the moneys they have are not their own but belong to their depositors. I was wondering if the Senator was quite accurate in stating that the people cannot get money?

Mr. THOMAS of Oklahoma. I realize that some people can get money. The Senator from Utah confuses money. Some people still believe that the banks are full of money. I have heard that statement made upon the floor, that their vaults would not hold the money that is now in the banks. Some people do not know but that the banks having "on deposit" \$40,000,000,000 have \$40,000,000,000 of money in their vaults. A few years ago when I was a member of another body I appeared before the great Ways and Means Committee of that body in advocacy of the payment of the soldiers' bonus. I wanted the bonus then paid in cash; that was 10 years ago, and I have not changed my attitude. I made the statement that at that time the 30,000 banks of America had on deposit \$55,000,000,000 in "money", so called. Then I concluded with the statement that "Tonight when the banks close and their books are balanced the 30,000 banks altogether will not have as much as \$1,000,000,000 of real money in their vaults." I was taken to task by an eminent statesman—I will not mention his name, but he is not far away, though not in the Chamber—I was taken to task and asked this question: "Do you mean to tell this committee that the banks have \$55,000,000,000 on deposit and that tonight they will not have \$55,000,000,000 of real money in their vaults?"

I was fortified; I had the Comptroller's report; and I pointed out that the banks did have at that time \$55,000,000,000 on deposit, but they had only a little more than

\$700,000,000 cash in their vaults less by \$300,000,000 than \$1,000,000,000.

I imagine that eminent statesman still thinks I was on thin ice and that the banks had \$55,000,000,000 in their vaults, and believes that today the banks have \$40,000,000,000 in gold or silver or paper or some kind of money which they can draw out. I am afraid he will never know any differently.

Mr. President, I stated a moment ago that our present bonded indebtedness was twenty-eight and a half billion dollars. By the end of the present year it will be \$30,000,000,000, and by the end of next year it will be \$35,000,000,000.

Then we have another public official of this Government who is now the head of the Federal Reserve Board, and, inasmuch as I have mentioned his position, I will give his name. I refer to Governor Eccles. Governor Eccles says that it is much cheaper to borrow money than it is to print it and pay it out; and, because it is cheaper to borrow money from the banks and use credit money in the financing of our deficits, he proposes, so the inference is, to keep on borrowing indefinitely, \$4,000,000,000 or \$5,000,000,000 this year, five or six or seven billion dollars next year. Each year the amount is getting greater. If a few years ago one had mentioned the dole in this Chamber, some of the old Senators, I am afraid, would have fallen from their chairs as if stricken with some fatal disease. We did not dare to speak about the dole 4 or 5 years ago, except in a whisper, and then those of us who were in favor of giving the people some food were called "reds" and radicals and inflationists. Now the Governor of the Federal Reserve Board says that it is cheaper to print bonds and sell the bonds and borrow money and use that money to pay our deficit than it is to print some money and put that money in circulation.

Mr. ADAMS. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. ADAMS. The Senator has given a great deal of time and study to economic questions. Does he think the statement of the Chairman of the Federal Reserve Board is sound or correct?

Mr. THOMAS of Oklahoma. Of course, I do not. I do not mean by that that I am in favor of printing a lot of money. No one can find in anything I have stated at any place the suggestion that I have been favorable to printing vast sums of money and placing that money in circulation. I have always had an objective, the objective being the 1926 price level. I have always said I do not know how much money it will take to bring back the 1926 price level. I am in favor of printing money, if necessary, of putting that money in circulation, of making money plentiful, of making it cheaper, for as money goes down prices go up. Then, when prices go up to the 1926 price level I would stop the issuance of money. It might not take much; it might take some; but that is my goal.

Mr. TYDINGS. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Maryland?

Mr. THOMAS of Oklahoma. I yield.

Mr. TYDINGS. I do not want to interrupt the earnest and serious and well-considered remarks of the Senator from Oklahoma, but I hope he will not mind a little humor. It has often occurred to me that one way we could wind up the depression would be to issue to every man a printing press with a money-cutting die on it. That would end the depression in a very little while.

Mr. THOMAS of Oklahoma. If the Senator from Maryland considers that humor, I am glad to have it injected into my speech. Humor is often displayed upon the floor of the Senate. Sometimes people are humorous when they intend to be serious. Sometimes they are serious when they intend to be humorous.

My distinguished colleague [Mr. GORE], who does me the honor to listen, frequently tells timely and appropriate jokes. A few days ago he made the statement that a circus came to town. It was a poor town to which the circus came. There was not much money in the circus. Circus folks like money, but none of the performers or employees had any

money. The animal trainer was broke and went to the snake charmer and borrowed a dollar. The snake charmer had a dollar but he needed the dollar, so he went to the elephant trainer and borrowed a dollar from the elephant trainer. The elephant trainer in turn borrowed a dollar from the trapeze performer. The trapeze performer, money being very scarce, got hard up and borrowed a dollar from the giant. The giant got hard up and borrowed a dollar from the dwarf. The dwarf got hard up and borrowed a dollar from the bearded lady. Finally there was nobody else to borrow from, so the bearded lady had to borrow a dollar from the clown. Nobody had any money, but somehow the clown found a silver dollar, and, being an honest clown, he paid his debt to the bearded lady. The bearded lady paid the performer from whom she had borrowed the dollar, and it went through the hands of the dwarf, the giant, the snake charmer, and finally back to the clown. The inference was that one dollar was enough to settle all those obligations.

Let us consider that joke for a moment. When they had all completed their borrowings, every member of that circus troop was a debtor. Every man owed somebody else a dollar. All of them were debtors; every member of that circus group, save the clown, who was a creditor. The only one having a dollar coming to him was the clown. During all the years I have stood upon the floor of the Senate talking about money I have had that clown in mind. He happened to find a silver dollar and wiped out all of those debts. What would have happened if the clown had not found that silver dollar? The whole circus troop would be on the dole today. [Laughter.] The circus itself would be down at the R. F. C. trying to borrow money with which to pay its expenses.

Mr. President, our troubles are monetary. All the officials of the Government are considering problems having to do with money and the great Congress of the United States is considering just one problem, the spending of money, and giving no consideration whatsoever whence the money is coming.

There is not enough money in actual circulation to pay the amount of the pending appropriation. Let me say, in passing, I am supporting the appropriation. I am going to vote for the appropriation. There is no alternative. I cannot be a party to saying to 22,000,000 people, "So far as I am concerned you can starve, you can go naked. Summer is coming. Go out and establish a nudist colony some place and eat worms." [Laughter.] What chafes me is that this great Congress of the United States for more than 5 years has delayed serious consideration of the money problem. There is no other problem half so important in our domestic economy as the money problem.

Not enough money is in circulation to pay the proposed appropriation carried in the pending joint resolution. Not enough money is in circulation to pay the regular appropriations. Not enough money is in all the banks of the United States to pay the interest on the national debt for 12 months. Yet we are told there is plenty of money.

There is not enough money in circulation even to be used for the purchase of the necessary quantity of seed we ought to have, and spring is coming. I propose, if I can, to plant a few silver dollars in the hope they may germinate. I choose silver because I think we have a little chance in planting silver and not a chance in planting any other kind of money. In the event the Senate shall not see fit to plant silver, I will be in favor of planting some paper money.

With my convictions on this subject, in view of what I know about the condition of the country, from this time henceforth there is going to be little peace in the Senate until the money question is given consideration. Of course I cannot demand that anything be done. I cannot force anything to be done. But perhaps I can continue making myself obnoxious, if that be the proper term, until something shall be done.

The Senator from Virginia [Mr. GLASS] has dominated the financial policy of the United States for a quarter of a century. I pay him a deserved compliment. No man in the

world has had as much to do with shaping the policies of the world's finances as has the distinguished Chairman of the Appropriations Committee through his influence upon the monetary system of the United States. The system of money in the United States controls the system of money in all the other nations of the world. If it does not, it can. If it does not, in my judgment it must.

Today there is only about \$20,000,000,000 of monetary gold in all the world, and of that sum we have more than \$8,500,000,000. We have enough gold to control the price of gold and the operation of gold as money in all the nations of the earth.

There are only 10,000,000,000 ounces of silver in the world which can be used for money—10,000,000,000 ounces! India has 4,500,000,000 of that 10,000,000,000 ounces; China has 2,500,000,000; the United States has 1,000,000,000 ounces. There is not much more. Mexico has some silver, South America has some silver, and other nations of Europe, such as Great Britain, have some silver. Russia and Germany have small amounts. The United States can control the gold of the world, as we are doing today. The United States can control the silver of the world. We are practically doing it today. We have raised the price of silver from 24 cents to 58.75 an ounce, as I believe it was last night; we have more than doubled the value of silver in the silver markets of the world. If we continue our silver policy, as I hope we shall, and my amendment provides for that course, the silver in the dollar will soon be worth a dollar.

Mr. President, as an antique and as an example, I carry a silver dollar, which I now display to the Senate. From its appearance one might think it was the silver dollar the clown found and paid to the bearded lady. I exhibit it to the distinguished Senator from Virginia [Mr. GLASS].

Mr. GLASS. I have one also! [Exhibiting a silver dollar.]

Mr. THOMAS of Oklahoma. The distinguished Senator has turned silverite. I welcome him to the fold.

Mr. WHEELER. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHEELER. The Senator from Virginia has not turned silverite. He had turned silverite long before the Senator from Oklahoma did, because in 1896 he was in the Chicago convention, and his name appeared as one of those who recommended the remonetization of silver by this country alone.

Mr. THOMAS of Oklahoma. I yield to the Senator from Virginia to offer his defense. [Laughter.]

Mr. GLASS. Mr. President, what is the use of the Senator from Montana referring to my juvenile antics? I am a grown man now. [Laughter.]

Mr. WHEELER. I think the Senator was much wiser then than he is now. That is the reason why I called attention to it.

Mr. THOMAS of Oklahoma. Mr. President, when we started out on our monetary program silver was worth 24 cents an ounce.

Mr. GORE. Mr. President—

Mr. THOMAS of Oklahoma. I yield to my colleague.

Mr. GORE. The silver dollar which I started in circulation the other day seems to have acquired considerable currency. The point to the story as I told it was that one silver dollar liquidated \$40 worth of debts; that it did not take \$40 to liquidate \$40 worth of debts. My colleague inquires, "What if the clown had not found the one silver dollar?" My monetary science has not reached the point where we can pay debts without any dollar at all, and if my colleague has some plan of that sort I am rather disposed to support it.

Mr. THOMAS of Oklahoma. Mr. President, let me answer that suggestion, and I will yield again.

Two years ago, from a seat just to my rear, I made the statement that the amendment I then was proposing had possibilities of transferring \$200,000,000,000 from one class to another, not in dollars but in value. Some old Senators who were here then almost collapsed. As I look around

today I find they are not here. The administration then in power, running wild with a high hand, is not now in power and those Senators are not here. No one seemed to know what I was talking about.

This is not an abstruse question. It may not be kindergarten stuff, but it is certainly not Einstein stuff. The amendment was adopted, and let me recount its effects up to date.

The power conferred by the amendment has only been partially exercised by the President; but a few days ago, in the Supreme Court of the United States, a decision was handed down, and the effect of that decision was that the people and the governments and the corporations that owed gold bonds could pay those gold bonds with \$69,000,000,000 less money than they could have paid them with had the amendment not been adopted. That is the saving on only \$100,000,000,000. There is a total indebtedness of that kind of \$250,000,000,000. If the people were saved \$69,000,000,000 on the first \$100,000,000,000, they will be saved another \$69,000,000,000 on the second \$100,000,000,000 and a corresponding amount on the \$50,000,000,000 more; and that is conservative. Already, according to the Supreme Court decision, the debtor class have been saved the gigantic sum of almost \$175,000,000,000. The people in my State of Oklahoma, debtors that they are, would have been penalized had that amendment not been adopted, and they have been helped because it was adopted.

Mr. GLASS. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Virginia.

Mr. GLASS. The Supreme Court also decided that Congress was guilty of repudiation—that is, of cheating the creditor class. Of course, if we are going to repudiate, we need not pay anything.

Mr. GORE rose.

Mr. THOMAS of Oklahoma. Does my colleague desire to make a further statement?

Mr. GORE. Yes; I do at this point.

Of course, we are all sometimes serious and sometimes humorous, as my colleague suggests; but there is a serious problem that challenges solution, and what I had in mind was the larger problem.

In 1929 there was a little less than \$5,000,000,000 in circulation in the United States. The total payments made through banks in that year aggregated \$1,200,000,000,000—payments made with a basis of less than five billions of actual money in circulation. In 1931 the total payments fell down to six hundred billions. They were off 50 percent. The money in circulation had not diminished 50 percent. Here is an acute point in this controversy, and I should like to hear my colleague discuss it, because I am fully aware of his familiarity with it:

In the last week of October 1929, the week of the crash, there was in circulation in the United States a little less than \$4,900,000,000. At the peak of the boom and at the point of the crash there was less than \$4,900,000,000 in circulation. On the 13th of March 1933, 9 days after Mr. Roosevelt was inaugurated, at the low-water mark of this depression, there was \$7,500,000,000 in circulation in the United States. The amount of money in circulation had increased 50 percent, prices had fallen 50 percent, and the volume of business had declined 50 percent.

If increasing the quantity of money automatically increases prices, when the volume of money on March 13, 1933, was 50 percent higher than it was when prices were at their peak in 1929, it would seem that prices would have responded to the increased volume of money in circulation. If prices had behaved as they should, they would have gone up 50 percent instead of going down 50 percent, but prices ignored the fact that the volume of money had increased 50 percent.

That is what I had in mind with reference to a limited number of dollars discharging a large volume of indebtedness.

Mr. THOMAS of Oklahoma. Mr. President, that gives me an opportunity to make a statement which I had not intended to make.

At the time referred to by my distinguished colleague, in 1930, we did have in circulation bank-deposit money to the extent of almost sixty billions, just a few millions less than sixty billions; fifty-nine billion eight hundred and some million dollars. Before the crash came we had unlimited confidence, and we had practically sixty billions of this deposit money that served as money in the banks. With sixty billions of deposit money, which the people considered good—and it was good—there was no occasion for a large amount of actual money. So the larger became the deposits in the banks, the smaller the amount of bank change; and the bank change went down to about four billion two hundred millions, when we had sixty billions in the banks with confidence reigning supreme.

Then when the crash came and the people wanted their money, they began going to the banks and the banks began to pay in real money. They did not have much of it. They soon paid out what they had and all they could get, and from that day to this 5,000 banks have had to fail and close their doors. In good times, with confidence reigning supreme, it is not necessary to have so much real money; but now, when the bank-deposit money is frozen in the vaults and cannot be had, I contend that there is no alternative excepting to supplant that frozen money with real money to the extent that may be necessary to thaw out the \$40,000,000,000 now frozen in the vaults of the banks of the Nation. It cannot be done otherwise.

I heard an illustration made at one time, I think on the Senate floor. Suppose up here at the Great Falls of the Potomac, in the winter time, ice breaking up, coming down the Potomac River, gets into an ice jam. The narrow gorge is filled with ice, not moving, immovable. That ice jam could not be jarred out with one stick of dynamite, nor with two. It would take tons and perhaps carloads of dynamite to get that ice jam out of that narrow gorge in the Potomac River. When the ice jam is out, no more dynamite is necessary, but to start the river flowing might necessitate very much dynamite. That is the illustration I desire to make now—that to get these bank deposits liquefied, to get them unfrozen, may take a gigantic sum of money; but, if it does, when they are thawed we can withdraw the money from circulation.

The Federal Reserve System now owns two and a half billions of bonds. If money becomes too plentiful, the Federal Reserve System can commence selling those bonds and requiring the purchasers to pay cash, and draw the money right out of circulation, just as water is taken out of a bucket with a sponge.

Mr. GORE. Mr. President—

Mr. THOMAS of Oklahoma. I yield to my colleague.

Mr. GORE. I desire to say at this point that I think my colleague has put his finger on the vital spot in the situation. I think it is lack of confidence. I think confidence is the breath of the life of credit and of business; and if we could revive confidence we could revive business.

That raises this conundrum—whether business is dull because money and credits are scarce, or whether money and credits are scarce because business is dull. The fact that one trillion two hundred billion of payments were made in 1929 on the basis of less than five billions of cash would indicate that business is not necessarily dull because money and credits are scarce, but that money and credits are scarce because business is dull; and I desire to say in closing that that theory was laid down by Thomas Tooke, I think one of the greatest English authorities on this subject, 100 years ago. His contention, during a depression of that time, was that business was not dull because money and credits were scarce, but that money and credits were scarce because business was dull. The wind does not stand still because the sea is calm. The sea is calm because the wind stands still; the wind does not blow.

Mr. THOMAS of Oklahoma. I thank my colleague for his contribution. I understand his statement to be that if in some way we can get confidence reestablished, we can thaw out the money now in the banks, and create a lot more of the same kind of money. I think that is correct;

but how are we going to thaw out these frozen deposits? How are we going to prime this pump?

That brings me back to another suggestion. In all the discussions about money for the past 4 or 5 years, someone constantly suggests, "Well, we will appropriate some money. We will create the Reconstruction Finance Corporation and give them two or three billion dollars to loan, to prime the pump." We have been doing that now for 5 years, appropriating money to prime the pump, and the pump is still unprimed.

What have we been using with which to prime the pump? Those Senators who have been raised on a farm are familiar with the old-fashioned pump, the handle of which has to be shaken up and down, and after a while, if the pump is operating, water begins to come from the pump; but if the pump is dry, the pump must be primed. You can put some water in the pump to prime it. Then, if you prime the pump with water, and there is water in the well, and the pump is otherwise efficient, you will begin to get some water. If, however, there is no water in the well, what are you going to do? If there is no water in the well you can prime the pump for 5 years, and you will not get any water back. You may have a hard time to get your priming-water back.

That is the condition today. We are priming a pump in a well where there is no water. My distinguished seat mate, the eminent Senator from Maryland [Mr. TYDINGS], suggests, in a whisper, "Everybody is waiting for a spring to break out somewhere."

Mr. President, we have been trying to prime the pump for 5 years. What have we been trying to prime it with? We have tried to prime the pump with air. We have tried to prime the pump with confidence. We have tried to prime the pump with credit. We started out when the national indebtedness was \$16,000,000,000, and we borrowed what we termed "money", and increased the national indebtedness from \$16,000,000,000 to \$30,000,000,000 as it is now or will be soon, and we poured into the pump that \$14,000,000,000 of borrowed money, so-called, but, in reality nothing but confidence, nothing but credit, nothing but air; we have poured that air into the pump, and we wonder now why we are not getting any money from the pump. Did it not ever occur to responsible officials that if you want to prime a water pump you put water in the pump, and if you want to prime a money pump you put money in the pump?

Mr. FLETCHER. Mr. President—

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Oklahoma yield to the Senator from Florida?

Mr. THOMAS of Oklahoma. I gladly yield.

Mr. FLETCHER. Following up the suggestion of the junior Senator from Oklahoma [Mr. GORE] that we must have a business need for the money, has the Senator any way to suggest to put to use the money to which he refers? Is there any plan whereby it can receive some velocity, some turnover, and by which there can be created some use for the money? There seems to be a question as to whether supplying more money would get us anywhere unless business should increase. The business demand seems to be quite well supplied, so far as we can gather. There are \$2,000,000,000 of excess reserves in the banks, and the banks are willing to have them go out if business demands them. But apparently there is need of reviving business and creating a commercial need for credit and currency. That is the problem to which we should address ourselves, it seems to me, rather than create more money. If we cannot find any use for money, why create it? What good would it do? We have apparently enough money now to serve the commercial needs of the country, and what is lacking is more business. Can we get that started?

Mr. THOMAS of Oklahoma. Mr. President, I welcome the suggestion of the distinguished Chairman of the Committee on Banking and Currency, and the statement just made by him is an explanation why the monetary bills which have been acted upon by the Senate, and which have been of any benefit to the country, have not come from his committee.

They came from another committee. The distinguished chairman of that committee, the Senator from South Carolina [Mr. SMITH], does me the honor to listen to me. It was the committee over which the distinguished Senator from South Carolina presides that was responsible for the monetary amendment 2 years ago, and I think largely responsible for the silver amendment last year. I will not take time to go into that.

Until Senators acquire a different viewpoint from that which they have now we are going to keep on the present trend. We are better off than we were 2 years ago, better off than we were a year ago. Two years ago Senators across the aisle were numerous, but they were silent; and today there are scarcely enough on the other side, with all present, to make a respectable noise. [Laughter.]

Mr. FLETCHER. Mr. President, will the Senator yield again?

Mr. THOMAS of Oklahoma. I yield.

Mr. FLETCHER. Apparently some reflection has been cast on the Committee on Banking and Currency. I think the pending amendment ought to go, really, to the Committee on Banking and Currency. That committee has jurisdiction over banking and currency and the monetary policy of the country. It has before it a measure entitled "The banking act of 1935", and it has pending before it a number of amendments to that measure and some bills, all of which have been referred to a subcommittee presided over by the distinguished senior Senator from Virginia [Mr. GLASS], to whom the Senator from Oklahoma has just paid the very high compliment of saying he is the great financial expert of the country today.

The bills to which I have referred are before that subcommittee. They are not being neglected. But the chairman of the subcommittee has been somewhat occupied here on the floor of the Senate with the pending joint resolution. As soon as the joint resolution is out of the way he expects to deal with the measures which are now before the subcommittee, and I hope eventually we will have before us a bill which will settle to some extent the monetary policy of this country.

I believe the measures to which I have referred will be handled expeditiously and efficiently by the subcommittee, which is authorized to hold hearings on them. The amendment now under discussion has to do with monetary policy; it relates to a subject matter under the jurisdiction of the Committee on Banking and Currency, and it ought to be considered by that committee. We are willing to give every hearing on it that is desired.

I am of opinion that that committee has done some very good work. We reported and there was passed the National Bank Act of 1933, which has been of great benefit to the country. It includes the deposit-insurance feature, which is very essential. We reported and there were passed the Securities Exchange Act, the R. F. C. legislation, the housing legislation, the Home Owners' Loan Corporation legislation.

The committee deals with such questions as that now before us, and one objection I have to taking up the Senator's amendment and considering it now is that I think it is rather a dangerous procedure to offer from the floor a measure affecting the monetary policy of the country and going to the very fundamentals with which we are trying to deal, without its reference to any committee or having been considered by any committee. I am sure the Committee on Banking and Currency, which has jurisdiction of matters of this kind, would deal with this subject, and that with the chairman of the subcommittee, the Senator from Virginia [Mr. GLASS], we will be able to reach definite conclusions with regard to such questions as that before us.

Mr. THOMAS of Oklahoma. Mr. President, I appreciate the statement just made. I want to absolve the distinguished Chairman of the Committee on Banking and Currency from having had any part in any delay upon any bill which I thought should have been passed. I have every confidence that if he could have had his way we would not be in the predicament in which we find ourselves today. If the distinguished chairman of that great committee could write

some financial legislation, and could have written it at the time he would have wished to write it, we would not now have a \$5,000,000 appropriation measure pending before the Senate.

The distinguished chairman of the committee states that the distinguished senior Senator from Virginia [Mr. GLASS] is upon his Committee on Banking and Currency. That is the identical reason why I have not seen fit to refer this amendment to that committee. It is because of the presence on that committee and the activities of the senior Senator from Virginia, and his effectiveness, that I did not see fit to refer to the Committee on Banking and Currency this amendment or the bill which I have offered as an amendment. That is no criticism of the senior Senator from Virginia. I know there is no man in the Senate more sincere in the viewpoint he takes than is the distinguished senior Senator from Virginia.

Mr. President, I will make one other statement. I will not name all the Senators, but when the history of the Senate shall have been written the name of the distinguished senior Senator from Virginia will be cataloged along with the few great Senators of the United States. I do not think that with that statement he can take offense at what I have said or may say hereafter.

Mr. GLASS. Mr. President, I have never taken offense at anything the Senator has said, and I rise now merely to remark that the Senator from Virginia has had no opportunity whatsoever to consider any bill now before the subcommittee of which he is chairman. The Senator from Virginia has sat here in his seat for more than 7 weeks endeavoring to expedite the passage of a measure the purpose of which is to feed the hungry and clothe the naked, to furnish relief and work relief to three million and a half people on the relief rolls. I have not had an opportunity to consider any bank bill.

I have scarcely had an opportunity to eat my meals, and the Senator must know that no bill has ever been within my jurisdiction the proponents of which have not had ample opportunity to state their views and where the members of the committee have not had ample time to express and register its own views. I am but one member of a committee of 21 Senators.

Mr. THOMAS of Oklahoma. Mr. President, I appreciate the statement just made, but in monetary affairs the Senator from Virginia is not only the subcommittee but the committee, and the United States Senate, the Congress, and the financial government of the United States. [Laughter.] I wonder whether I can make that broader.

Mr. GLASS. No; but it does not constrain me to buy a hat of any greater dimensions than the one I now wear. [Laughter.]

Mr. THOMAS of Oklahoma. Mr. President, let me advert to the suggestion made by the distinguished Chairman of the Committee on Banking and Currency. He asked this question, what can we do to get the reserves he speaks about circulating? What can the country do, what can the Government do, what can Congress do, to get the deposits now in the banks thawed out and active? I am prepared to tell the Senator. He may not agree with my contention, but I think I have the proof, and I submit it for what it is worth.

The banks have been criticized for 5 years for not making loans. They have had billions of dollars of so-called "money" in their vaults, and they have not made loans and they are not now making loans to any great extent. Because the banks have this money, the banks have been criticized and condemned for the reason that they are not lending other people's money on applications for loans.

I have never blamed the banks for not making loans. I am not a banker. I never was behind a bank counter in my life. I never owned a dollar's worth of stock in any bank in my life. I have never had much money in a bank at any one time in my life. Banks do not loan their own money. As a rule, they loan other people's money. They loan the money of their depositors. Is a bank justified in loaning other people's money on security, on notes, which it is not sure will be paid?

It is stated in the Senate that banks will loan. On what security will they loan? If Senators had a million dollars this afternoon, what would they loan their own money on? Would they loan it on a farm with cotton selling at 10 cents a pound and wheat selling at 90 cents a bushel? Of course, they would not.

If the people had no debts to pay, no interest to pay, no taxes to pay, the value of the dollar would not be so material. But there is an overhead expense—\$15,000,000,000 a year for taxes; \$10,000,000,000 a year for interest. Then, there is our portion of the debt of \$250,000,000,000. It rests upon our shoulders; and so our people must make money, over and above the cost of operation, sufficient to have some profit, because it is out of profit they pay their taxes and pay their interest and pay their debts. Otherwise, if they pay such bills out of their surplus, out of their capital, it will only be a matter of a few years until the capital is absorbed, and that is almost what is happening.

I have made the statement many times, and I am coming to the point, that banks cannot now lend; they are not lending now to any substantial degree. They will not lend until the price level is so raised that the things the people produce will sell for enough above the cost of production to leave some profit which the producer may spend. Any time the price level is raised to the point where producers can sell their products at a profit, banks will see that producers are becoming good risks for loans. I have not condemned the banks. I am not now condemning the banks, for had they followed a different policy they would not be open this afternoon.

Mr. President, a few days ago I saw a criticism of the banks—and, by the way, that criticism came again from the distinguished Governor of the Federal Reserve Board in Washington. He stated—and I have here what purports to be his statement—that unless the banks commenced making loans the Government would step in and take the banks, and, owning the banks, would begin making loans. That was the inference. If that was his inference, it was wrong. Banks should not be blamed for not making loans today. Banks are anxious to make loans and will make loans just the moment they see a reasonable chance—I should say an assured chance—that the borrower will pay back the money.

When this statement was published a few days ago I telegraphed to some banks in my section of the country, starting at Kansas City. I telegraphed a distinguished friend of mine who is head of one of the largest banks in Kansas City, Mr. Kemper, and I telegraphed to the larger banks in my State. Here is the telegram I sent to the banks:

Banks criticized here for not making loans. Have defended banks for not extending credit and assigned reason that price level is so low that there is no profit in business. Now that value of cattle and hogs is up, please advise if banks are not willing and glad to extend credit on such livestock. Wire answer collect.

Through the policy of the Government, the killing of pigs made pigs scarce. Pigs are now high in price. As the result of the drought and the killing of cattle, cattle became scarce. Cattle today are high in value. In my section of the country, hogs and cattle today sell at a value which shows a profit. Every cattleman in the West is trying to get cattle, stockers, to put upon his ranches to feed, knowing that if he can get the cattle he will have the grass, and he will make some money out of cattle at the present price. The same thing is true of Nebraska, Kansas, Oklahoma, and the corn area. The farmers there know that if they can get some hogs, they can feed those hogs at present prices, and sell the hogs at present prices, and make some money. So they are trying to buy cattle and they are trying to buy hogs.

Here is the reaction of the banks. Mr. Kemper wired me as follows:

Recent upturn in price favorable and seems to be interesting cattlemen in laying in stockers and feeders. We are figuring on several substantial loans at this time. Made commitment yesterday of \$100,000 to Kansas cattlemen who are buying 6,000 head of big steers in Texas. Regards.

Here is the proof of what I have been trying for 5 years to say. Raise the price level! Let the producer have a

profit! The cattlemen cannot be expected to raise cattle and sell them at a loss. They have been doing it for years; and now they have not only lost their cattle ranches, but they have lost everything else.

Mr. GLASS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Virginia.

Mr. GLASS. Does the distinguished Senator think it is the business of the Congress of the United States fictitiously to raise prices?

In other words, to amplify my question, the Government has caused cotton to be plowed under. There are 130,000,000 people in this country who use cotton, from the diaper on the baby to the shroud on the corpse that is let down into the grave. Does the Senator think it is the business of Congress fictitiously to raise the price of cotton goods to 130,000,000 people?

There are 130,000,000 people who have to eat bread and meat. Does the Senator think it is the business of Congress fictitiously to raise the price of bread and meat by reducing the acreage for wheat, and by slaughtering cattle and throwing their carcasses away, and by killing sows in order that they may not raise pigs?

No one here ever speaks for the consuming public; but it is thought to be the business of Congress fictitiously to raise the prices of commodities which 130,000,000 people are bound to consume—fictitiously to raise the price to the consuming public. I do not agree with that theory at all.

Mr. THOMAS of Oklahoma. I knew the Senator would not agree with it.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. Before I yield to the Senator from Nevada I wish to answer the Senator from Virginia. I shall be glad to yield to the Senator from Nevada in a moment.

The Senator from Virginia asked me whether it is the duty of Congress fictitiously to raise the price of commodities. Let me ask the distinguished Senator from Virginia a question. Was it the duty of private parties surreptitiously to reduce the value of those commodities? That is being done.

Mr. GLASS. Oh, no. I do not think it was the business of private parties surreptitiously to reduce anything.

Mr. THOMAS of Oklahoma. That is what is being done.

Mr. GLASS. I do not believe in doing anything surreptitiously. [Laughter.]

Mr. THOMAS of Oklahoma. I know the Senator does not, but that is what is being done.

I now yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, in keeping with the expression of the able Senator from Virginia and in keeping with the thought of the able Senator from Oklahoma, I am reminded of the lines of Jefferson, when he wrote:

If we have to apply to Washington as to when we shall sow and when we shall reap, we shall soon go short of bread.

Mr. GLASS. I am glad that one Senator has boldness enough to quote a line from Jefferson here, because we have deserted every principle he ever announced.

Mr. THOMAS of Oklahoma. Mr. President, I hope the Senator will not leave the Chamber for just a moment. I, too, like Jefferson. Let me quote from that distinguished citizen of Virginia. He made this prophecy:

If the American people ever allow private banks to control the issue of currency, first by inflation and then by deflation, the banks and the corporations which will grow up around them will deprive the people of all property, until their children wake up homeless on the continent which their fathers conquered.

Mr. President, I never voted to kill any pigs. I never voted to kill any cattle. From our committee came the bill providing for the A. A. A.; but at the time the bill was being considered there was no thought that pigs might be killed under that bill. There was no thought, so far as I was concerned, that cattle might be murdered and left on the dry, parched plains of the West. Evidently, however, the authority was there. It has not been challenged. Pigs were killed and their carcasses thrown in the river. Cattle were killed to become a prey of the hungry birds, the carrion of the

West. I did not know I was voting for it, but evidently the Congress passed a bill giving authority sufficiently broad to kill the pigs and to kill the cattle. However, that was not my suggestion.

Not a single pig needed to be killed. Not a single cow needed to be killed. If those who control the financial legislation of America had done what I would have done, we should have saved the lives of those defenseless pigs and sows and cattle and allowed them to live.

In my judgment, the only worthwhile increase of prices we have had has come about through our monetary adjustment policy. By using the powers given the President, in my judgment, policies could have been placed before us which would have made it unnecessary to kill a single pig or a single cow in America. Prices could have been raised.

The distinguished Senator from Virginia complains that through fictitious manipulation we cheapened the dollar and raised prices, but through some kind of manipulation the dollar was raised and prices were driven down, and some Senators even as yet do not seem to know how that was done.

Mr. President, the Democratic Party was in power from 1912 to 1920. When the Democratic Party came into power in 1912 we only had about three and a half billion dollars in circulation. Through the financial acumen of the distinguished Senator from Virginia the Federal Reserve System was conceived and brought into being; and having the System, and it being workable, the Government proceeded to increase the amount of money in circulation by three and a half billion dollars, until in 1920 we had almost six and a half billion dollars in circulation. The amount of real money in circulation during the days of Wilson was almost doubled.

When Mr. Wilson became President in 1912 prices were low; money was scarce. When Mr. Wilson left the Presidency money was plentiful; prices were high. Is there not an attachment between those circumstances?

In 1920 the Republican Party met in Chicago in national convention, and being out of power, and desiring to regain power, that great party in its platform adopted at Chicago condemned the Democrats of America for being responsible for the high cost of living. "These terrible Democrats fictitiously have raised the price of foodstuffs, clothing, and everything else in America to a point where we cannot live. These wicked Democrats have fictitiously raised the price of everything the people have to buy to such an extent that there is danger, and they have done it by an overexpansion of the currency and credit." In other words, the Wilson administration put out too much money and had been too liberal with credit, and because we had too much money in circulation and were too liberal with our credit, money was plentiful, money was cheap, and prices were high. Then the Republican Party said, "Turn out those wicked Democrats and elect us angel Republicans, and we will bring down the high prices, and we will bring them down by deflating the currency and credits."

Mr. GLASS. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Virginia.

Mr. GLASS. The Senator surely knows that every dollar issued under the Wilson administration, particularly under the Federal Reserve Bank System, was a dollar issued in response to the demand of commerce, industry, and agriculture. There was not anything fictitious about a single dollar which was issued; every dollar was issued automatically and in response to a demand, and it could not be issued for anything other than the requirements of commerce, industry, and agriculture.

Mr. THOMAS of Oklahoma. Mr. President, take the shackles off the legs of the American people and give them a price level that will make possible a profit and the bank deposits will begin to swell from the moment the shackles are removed.

Mr. President, reverting to the statement just made, our Republican friends said, "The Democrats made prices high; Turn out the Democrats; elect Republicans. We will take

money out of circulation; we will curtail credits; we will bring prices down." What happened? The farmers went out and voted for cheaper corn and cheaper hogs and cheaper wheat. That was the effect of their vote. They did not know what they were doing or they would not have done it. The laboring men went out and voted to take away their own jobs. They did not know they were doing that, but that was the effect of what they did, because the panic came on in 1921. The Republicans won that year.

Mr. Harding became President and was inaugurated on the 4th of March 1921. To the credit of the Republican Party, let it be said that when it came into power it did exactly what it had promised to do, and it began to deflate the currency and to restrict the credit of the Nation.

At this point I want to prove my statement. On the 1st of April 1921, which was some 26 days after Mr. Harding became President, there was in circulation the sum of \$6,207,000,000 of money—real money, the kind of money for which I am fighting. Eighteen months later on the 1st day of September 1922, there was in circulation the sum of \$4,393,000,000. In other words, in 18 months' time the Republican Party in power took out of circulation actual money to the extent of more than a hundred million dollars a month. At the end of 18 months wheat was not selling for \$3 a bushel, nor \$2.50 a bushel, as it was when the Republicans came into power; wheat was selling for a dollar a bushel. Cotton was not selling for 40 cents a pound, as it was when the Republican Party came into power; cotton was selling for 20 cents a pound. Other prices were in proportion.

In that short simple Republican platform declaration, Mr. President, we find the whole economics of money, recognized everywhere, except in the Senate of the United States. The House of Representatives understands the money question. On several occasions the House of Representatives has gone on record in favor of a little more money. The House of Representatives has passed the bonus bill, I think, on three different occasions, providing for an expansion of our currency. The House of Representatives passed the Goldsborough bill 2 years ago providing for an expansion of our currency. The House of Representatives knows what the trouble is. The House of Representatives has acted; but here in the United States Senate, the body of Webster, Calhoun, and Clay, it seems that nothing can be done.

On my left sits the distinguished junior Senator from Indiana [Mr. MINTON]. Indiana is my native State. It is the State of the late Senator David Turpie, the State of Benjamin Harrison, the State of Daniel W. Voorhees, and other distinguished men, and here we have a discussion on a \$75,000,000,000 amendment—and I will show that that is the case before I conclude; 2 years ago I said the amendment was a \$200,000,000,000 one; but there has already been effected a transfer of over one hundred and seventy-five billion and we are not nearly through with the transfer, not of dollars but of value; and the amendment which I will propose very shortly is not a \$200,000,000,000 amendment; it is only a \$75,000,000,000 amendment. It is so small that Senators do not care to deal with trifles. In the Senate when we are spending we never speak any more, not consciously at least, about millions; anything that is not represented by a billion is not worth talking about, but when it comes to raising the money, only a dozen Senators, at 2 o'clock and 10 minutes p. m., this day are in the Senate Chamber, and those who profess to be leaders of this body, following the policy of the former administration, can only lead this country to the same calamity to which the former administration led it.

I am interested in my administration. Born of Democratic parentage in Democratic Putnam County, Ind., I have always been a Democrat and always believed in Democratic policies, which mean "help the masses." Any time the masses are helped we do not have to bother with the upper fellows. Any time labor is employed, any time the farmers of the country can get enough for the commodities they produce to pay the cost of production and have a little profit left the farmers are not on the bread line. Any time labor is employed farmers can raise and produce and sell at a profit, and we do not have to worry about the bankers or the lawyers or the doctors or

the corporations or the railroads; but when we have 22,000,000 of our fellow citizens on the dole and 10,000,000 of our people unemployed, what do we see? The Congress of the United States is staying in session day after day planning to spend five thousand million dollars in order to keep the people alive for the next 12 months.

When the people are in that condition, what is the condition of the railroads? They cannot pay their taxes. They have no business. What is the condition of the banks? The banks are not making loans for the reason I have indicated. They are making no money. They are barely existing.

What is the condition of the lawyers? They have business, but they collect no fees. The doctors have a large business, but collect no money.

We had the banks coming to Washington by the thousands to borrow money from the Government in order to keep their front doors open. Five thousand banks have borrowed from the Government a billion dollars in the past 2 or 3 years. The railroads have had to borrow from the Government. Life-insurance companies have had to borrow from the Government. Corporation after corporation has had to borrow from the Government. The cities have had to borrow from the Government. Why? Because they have not any money and they cannot get any money. Why are they unable to get it? It does not exist! Yet Senators representing great agricultural States and great industrial States will not even listen. There may come a time when they will listen. I hope it may be soon.

I was trying to answer the question suggested by the distinguished Chairman of the Committee on Appropriations, the Senator from Virginia [Mr. GLASS]. I read one telegram. The reason why banks are not loaning is because nobody is making any money. Those who have made any money or have had a chance to make money can borrow. The moment the price of hogs had risen to the point where it showed a possible profit hogs became good security for loans of the bank. The largest bank of Kansas City just wired me that they are making a loan of \$100,000 to a Kansas cattleman to go down to Texas and buy some steers. That makes money for the Texas sellers of those cattle. They need the money. The men who borrow the money with which to buy the cattle have hope of making money, so the condition of their minds is improved.

My State is a cattle-producing State. I know of one ranch in my State comprising thousands of acres. That ranch has on it at this time several thousand head of cattle. In the past 5 weeks the herd of cattle on that ranch has been sold three times, and every man who sold that herd of cattle made money.

The first man who owned the herd took the money and paid his loan to the bank. That helped the bank and relieved the mind of the man who had the loan with the bank. The second man who bought the cattle later on sold the herd and made some money. My information is that he took his money, having a little ranch adjoining, and improved his fences, painted his house, and bought some more stock. The third man who sold likewise made some money. He bought the cattle at one price and sold them for a higher price. There was a profit. He used that profit. What was done in this instance with reference to cattle can be done in the case of every commodity in America.

Mr. GLASS. Yes; and every man who has to eat a piece of meat has to pay twice as much for it now as he did before the cattle were all killed, does he not?

Mr. THOMAS of Oklahoma. The question suggested by the distinguished Senator from Virginia carries the inference that "I, the Senator from Virginia, want the cattle raisers of the West to raise my beefsteak and sell it to me at less than cost of production." They have been doing that, but they have almost reached the point where they will do it no more.

Mr. GLASS. The Senator from Virginia does not contend that at all. He contends that it is not the business of Congress or of the administration to go out and kill cattle in order to have beefsteak sold the consumer at a fictitious price. It is not the business of Congress or the admin-

istration to go out and plow under cotton in order that the poor people of the country, particularly, have to pay two prices for the cotton goods they buy. It is not the business of the Congress or of the administration to kill a million sows in order that they may not have pigs, in order that my chauffeur, for example, shall now have to pay 18 cents for his white meat which he formerly bought for 6 cents.

Mr. THOMAS of Oklahoma. Some of the people I have had the honor to represent have not had much of a chance to eat meat for a long time unless they killed jack rabbits and ate them. Some Senators would not know what a jack-rabbit is if one should enter the door of the Senate Chamber, but our people out West know what jack-rabbit meat is.

Mr. GLASS. I know what it is. [Laughter.]

Mr. THOMAS of Oklahoma. Mr. President, what is the theory of the industrial age? No one seems to care about the suffering in the South and West. It is immaterial to those in the eastern industrial sections how much it costs the people of the South and the West to raise wheat with which to make bread and to raise their meat.

Mr. WHEELER. Mr. President—

The PRESIDING OFFICER (Mr. MURRAY in the chair). Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHEELER. I agree with what the Senator has said, though I do not agree with the policy of going out and killing hogs and other animals in order to raise the price thereof. I invite the attention of the Senator from Oklahoma that it is the duty of the Congress of the United States under the Constitution to issue money and regulate the value thereof. If by issuing and regulating the value of money we raise or lower the prices of commodities, that is the policy which Congress should pursue as delegated to it by the Constitution.

Mr. GLASS. I was not discussing that particular phase of the question.

Mr. WHEELER. I understand that.

Mr. GLASS. I was talking about the idiocy of raising prices in a fictitious way to the consumers of the country. No one thinks about the consumers. I do not care anything about industrialists except that I want to see them treated fairly. I am no industrialist.

Mr. WHEELER. I denounce that policy the same as the Senator does, because I never have felt it was the right thing to do; but when the farmers of the country advocated it, as they did, or when it was advocated by those who did advocate it, they were taking a leaf out of the book of the industrialists, because that is exactly the policy of the industrialists.

Mr. GLASS. One ought not to take a bad leaf out of anybody's book.

Mr. WHEELER. I agree with that; but if there was any excuse for it, it was because the industrialists of the country have pursued that policy.

Mr. GLASS. Yes; and Congress has sat here and given the industrialists of the country special privileges. The Democratic platform denounced that policy, and promised to remedy it, but it has not been remedied.

Mr. WHEELER. I agree entirely with the Senator with reference to that statement.

Mr. THOMAS of Oklahoma. Mr. President, our trouble is still monetary. [Laughter.] If, single-handed and alone, or with the assistance of my distinguished friend from Montana and my able friend from Virginia, we can get Senators to remain here and listen, I might have hope of getting some place. Otherwise, I must go about my task unassisted and unaided.

Mr. GLASS. I am listening to the Senator.

Mr. THOMAS of Oklahoma. I appreciate the Senator's attention.

Mr. President, I said a while ago that any money we have is the result of congressional enactment; the kind of money we have is the result of congressional enactment; the amount of money we have is the result of congressional enactment,

and the value of that money cannot be other than the result of either congressional enactment, or the failure of the Congress to act.

In 1920 we had a dollar worth 64 cents in buying power. In 1933 the dollar had a buying power of 167 cents. In other words, from 1920 to 1933 the American dollar increased in value from 64 cents to 167 cents. I was here in Congress most of that time, in the Senate most of the time, and I heard no one protesting vociferously, save a few, against that high-priced dollar. The men who were being hurt could not be heard. They knew they were being hurt, but they did not know by what instrument.

For 12 or 13 years the American dollar appreciated from 64 cents year after year until in February 1933 it had a buying power of 167 cents, and the wise financial geniuses of America either did not know what was being done or, if they did, they refused to tell the Congress and to tell the people what was being done.

Congress has the power to regulate the value of the dollar. Congress has that power if it will exercise it. It could have fixed the value of the dollar at any point it desired at any time between 1920 and 1933, but Congress did not act until this administration came into power. But observe: The men in power then have now joined the forgotten men, and I prophesy that some of those in power now, if they either refuse to act or refuse to permit that body to act which should act, will join the lonesome trail and soon become likewise forgotten men. This country cannot live without such action. We are better off than we were. It is like a man almost nigh unto death with typhoid fever. That is the condition the country was in on March 4, 1933. The Nation was almost dead. It had only a few breaths of life in it, apparently; and I well remember that cloudy, clammy day when we met at 12 o'clock in this Chamber, marched out here, and saw the inauguration of our present President. It was cloudy in every way on that day, Mr. President.

We have made much progress. The typhoid fever patient is, I think, out of danger. He is much improved, but he cannot walk yet. He cannot work yet. We must continue to nurture this typhoid patient and see that he has no relapse, no set-back. Now, instead of the patient's getting better, in the past few weeks he has stopped improving; and the dollar, while it has been reduced in buying power from 167 cents down to 125.9 cents, is not yet cheap enough. The dollar was as cheap as 125.6 cents, but now the dollar is going back up again. As the dollar goes up, prices come down, and that is what I am complaining of today.

The dollar at this moment has 25.9 cents worth of value in it that it should not have. Of course, the dollar has only 100 cents, but these cents have an excess value, and, of course, we all know how to measure value. We do not measure value by gold, nor by silver, nor by cotton, nor by wheat. Each of the nations of the world has its own system for the measurement of value. In America we have, down in the Department of Labor, what is known as the "Bureau of Labor Statistics." This Bureau keeps track of 784 commodities, and each week the price of each of these commodities is ascertained. Then an average is struck. If the average is up, that means that the dollar is down. If the average is down, that means that the dollar is up, and vice versa. So, by making the average of all these commodities our measurement for value, it is through that system that we measure the value of gold, we measure the value of silver; or it might be said that we measure the value of gold and gold measures the value of silver. It makes no difference, because it is true that in a good many commodities gold is the measuring device, and so far as other commodities are concerned, we compute wheat and cotton and silver in terms of gold, but we compute gold in terms of this measuring yardstick.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. That is particularly true in the case of export articles. They are all measured in gold, are they not?

Mr. THOMAS of Oklahoma. I made that statement a little while ago, that all commodities in America which are world commodities are measured in terms of gold, and I referred particularly to cotton and to wheat. A bushel of wheat is worth so many grains of gold at this moment throughout the world, making allowance for transportation and insurance. A bale of cotton is worth so many grains of gold throughout the world, making allowance for transportation and expenses. So our price of wheat here in this country is the world price of wheat in gold; the price of cotton is the world price in terms of gold; and before I get through my discussion I shall devote considerable time, at least a few minutes, to cotton, in the hope of saving the cotton South.

Mr. President, to a telegram which I sent a good while ago I have received some more answers. A large bank in Muskogee, Okla., sent me this telegram:

Banks seeking loans such as you describe.

That is to say, loans on livestock—meaning hogs and cattle. The telegram is signed by H. H. Ogden, president.

I have another reply from the president of perhaps the most conservative bank in the West, one of the best banks in the West. Mr. E. A. Walker, president of the Tradesmen's National Bank of Oklahoma City, sends me a telegram in reply to my inquiry. My inquiry, in substance, was:

Banks criticized here for not making loans. Is it not a fact that the reason you are not making loans is that there is no profit in business? Now that livestock and hogs and cattle are going up, showing profit, are you going to make loans on livestock, hogs, and cattle?

A Kansas City bank said they had made \$100,000 of loans the day before to Kansas people to go down into Texas and buy steers. The distinguished Senator from Texas [Mr. CONNALLY], who does me the honor to listen, no doubt has had some of his constituents relieved of some of their indebtedness by the sale of \$100,000 worth of steers to some folks up in Kansas.

Mr. Walker wired me as follows:

Banks are not only willing but would be glad to extend proper credit secured by mortgages on livestock.

Well, no one would ask a bank to make any improper loan on livestock; but this conservative banker—you can see that he is conservative by the way he hedges—does say that banks are not only willing but they are glad to make loans on livestock.

Then I have a reply from my home county. I do not happen to live in a town. I live in the country. I live in the mountains, 15 miles from a bank; but here is the banker who takes care of my overdrafts, and here is what he says—

Mr. CONNALLY. Mr. President, would the Senator mind giving us his name? [Laughter.]

Mr. TYDINGS. Has the Senator any influence with that banker so that he could recommend a friend? [Laughter.]

Mr. THOMAS of Oklahoma. They are very reasonable in their security requirements. Here is the reply:

Banks in this community—

This is from the county seat of my home county—
are loaning freely to farmers and stockmen.

That is from Lawton, Okla. It is signed by Exall English, vice president of the Security Bank & Trust Co.

That gives the Senators all around me the information they desire.

Then I have this telegram from a prominent bank in the eastern part of Oklahoma, the town of Seminole, signed by W. E. Harber, an official of the bank. He says:

Under present values of livestock we believe loans of this character will be more satisfactory, and believe banks will give these borrowers more consideration.

That proves what I have been saying. All in the world it is necessary to do is to raise the price so that there is a profit in production. We killed hogs and cattle to raise the price level. It could have been done in another way. We could still further have cheapened the dollar and made prices go up just the same. If that had been done, the farmer would have had the same prices and the people could have

had the meat to fill their hungry stomachs. Under the policy pursued by the administration the price is up, but the meat is not here, and the people are still hungry.

Mr. Frank P. Johnson, an official of one of the largest banks in the State, located at Oklahoma City, makes this reply:

Answering telegram, beg to state that this bank is willing and glad to make good livestock loans.

He is another good banker when he hedges by saying, "Good livestock loans." Of course nobody expected him to make a bad livestock loan; but the argument is this: Now that cattle are up in price and hogs are up in price, bankers are not only willing but are glad to make loans to cattlemen with which to feed stock and to feed hogs, because they can see a chance to get their money back. One of the banks from another city has agents out scouring the country to find loans on cattle and hogs.

Do I need any further argument to convince the Senate that there is no hope of getting the banks to make loans until the price level is raised? There is no way to raise the price level excepting to kill off the hogs to make them scarce, to kill off the cattle to make them scarce, to curtail the wheat and curtail the cotton to make the product scarce, unless we put money in circulation; but for some reason the administration has not seen fit to put money in circulation. I do not know why. We agreed to do it. The Congress went on record in favor of placing money in circulation. Two years ago we passed a bill in which we gave the President power to put three billions of Federal Reserve notes in circulation through buying Government bonds. No bonds have been bought. No money has been placed in circulation.

The second power given the President was to authorize him to put \$3,000,000,000 in circulation through the issuance of United States notes, Treasury notes. Not a dollar has been placed in circulation.

The third power given to the President was the power to devalue the gold dollar. We gave the President the power to cut the gold dollar in half. This plan of monetary adjustment was first suggested to the Senate by the distinguished junior Senator from Texas [Mr. CONNALLY]. I can see him now, standing there at the rear of the Chamber. If you ever see him once, you will see him forever. He is very distinguished looking. If you ever hear him once, you remember forever what he said. I remember seeing him and hearing him arguing to the Senate in favor of permitting the President to cut 33⅓ percent of the gold from the dollar. The Senator, however, was classed along with the other "reds" and "radicals" in this body. I presume, if he made that speech today and the same conditions were in existence, he would be placed along with Dr. Townsend and some others I might mention. But later on the bill was passed, and the President was given the power to reduce the grains of gold in the dollar 50 percent.

Mr. WHEELER. Mr. President—

The PRESIDING OFFICER (Mr. MCGILL in the chair). Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHEELER. I hold in my hand a copy of Skillings' Mining Review, published every Saturday at Duluth, Minn. It is one of the conservative mining journals of the Northwest. I find the following statement in this issue:

Probably exerting far greater immediate influence on the continued business recovery of the United States at this particular time than any single domestic political or economic factor of our own, because the sensitive trade balances and business activity of all countries of the Western World must again, through their currencies, as in the past, react to its pressure will be the London price of gold, if its latest upward move continues into a major movement as believed likely in London, with a rise this year to 165 shillings per ounce. The complete move may come rapidly. With sterling exchange at \$4.86, such a price would equal \$41 an ounce over here and the equivalent of a 50-cent dollar.

Let me say, as is predicted here in this statement, "If the price of gold remains at \$35 per ounce in the United States and if no further devaluation is contemplated, sterling exchange would then naturally go down to about \$4.10. If

London gold rises to 165 shillings, unless the stabilization fund of the United States buys sterling to support it at a higher level, which would probably cost the stabilization fund a great deal of money, while also possibly placing the fund in the position of necessarily driving sterling still lower when it later sells its paper sterling."

Let me call attention to the fact that one of the things that has prevented a rise in world commodity prices, by reason of the gold content of the dollar being reduced, has been the thought upon the part of a great many people that gold would go very much higher, and because it was felt that gold would go still higher, not only in England but in other places throughout the world, there has been a tremendous hoarding of gold, and gold really has not been redistributed but has been hoarded and sterilized. That is exactly what we are doing with it in the United States of America; we are sterilizing the gold, and the same thing is being done in many parts of Europe, which has prevented the stabilization of currencies and has prevented world commodity prices from going up.

Mr. THOMAS of Oklahoma. I thank the Senator for his statement. I agree with his contention entirely.

Mr. TYDINGS. Mr. President, would it divert the Senator if I were to ask him at this point how he arrives at the maximum value of \$1.29?

Mr. THOMAS of Oklahoma. I shall come to that a little later, if the Senator will permit me.

While the distinguished junior Senator from Texas [Mr. CONNALLY] is on the floor, I want to tell him, the Senate, and the country what he has done for this country. He initiated the idea of giving the President the power to reduce the gold content of the dollar. He tells us that he initiated the idea that the President should have the power to cut the gold dollar into three parts, keeping two in the dollar and taking one out. So he initiated the idea of reducing the gold content of the dollar.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. I thank the Senator. The bill of the Senator from Texas did not give that power to the President. It was done by act of Congress. I voted for the Senator's amendment, however, which did confer the power on the President.

Mr. THOMAS of Oklahoma. The Senator from Texas, so far as I remember, was the first one to propose on the floor of the Senate that one way to solve the problem, or to assist in solving the problem, was to reduce the gold content of the dollar, and that was the basis for the amendment which was finally enacted by Congress.

We gave the President power to cut the dollar in two, but the President saw fit to take only 40 percent of the gold out of the dollar. In effect, he took a pair of shears and clipped 40 percent out of each gold dollar in the United States, and he threw the pieces he cut over into a pile. He first got in all the gold. He was a smart man and knew how to operate, and he operated properly.

Mr. GLASS. He seized all the gold that belonged to other people; he just took it. [Laughter.] I do not see why the Senator from Oklahoma should persist in reproaching the Senator from Texas as he has done.

Mr. THOMAS of Oklahoma. I am going to make a statement after a while which I hope will be verified.

There was a time when gold was considered to be the property of those who owned it, and those who owned it considered the gold to be their private property. But there came a time when there was such a demand for gold throughout the world that there was not enough gold to go around, so here in the United States we came to the conclusion that all the people had a better claim to what little gold there was than a few people. A few people had it all. So, under the theory of eminent domain, confiscation, or condemnation, we said, "This gold is needed as a basis for our money; all the people need this gold; so we will just step out and take all the gold from the few who have it for all the people of the United States." Call it confiscation or

what not, that was why it was done. We condemn private property for public use.

Mr. GLASS. But no citizen is now allowed to own a dollar of gold. If anyone has a dollar of gold in his pocket, he is a culprit, and is liable to be put in prison and fined.

Mr. THOMAS of Oklahoma. I am not guilty, Mr. President.

Mr. GLASS. Well, I am. [Laughter.]

Mr. THOMAS of Oklahoma. That shows how public sentiment changes in the United States. To illustrate, 2 years ago a couple of gentlemen were going down Pennsylvania Avenue. One had \$100 in gold in his pocket. I am not sure whether it was the distinguished Senator from Virginia. He says he has gold, and is guilty, so it might have been the distinguished Senator from Virginia. But the gentleman with the \$100 in gold was walking down the street with another gentleman who had a half pint of liquor in his pocket.

Mr. GLASS. The Government had as much right to take the liquor as it had to take the gold.

Mr. THOMAS of Oklahoma. The Senator is interfering with my story. [Laughter.] The two gentlemen were walking down the street and had possessions as I have indicated. A policeman is reported to have noticed some peculiar actions or conversation, so he chose to stop the two gentlemen and search them. On one he found \$100 in gold, and he said, "You must be an eminent and respectable citizen. You go hence." He searched the other gentleman and found half a pint of whisky. He arrested him, took him to jail, and he may be down at the workhouse now, although on second thought I believe he got out the other day. [Laughter.]

Mr. President, the same two gentlemen were going down the same street recently, and the man who had a hundred dollars in gold still had it; he was a miser, a hoarder. The man who had had the liquor 2 years ago had managed to get another half pint of liquor. The same policeman saw the two gentlemen and stopped them and searched them again. He found the hundred dollars of gold in the pocket of one of the gentlemen, and he said, "You are a criminal. Off to jail with you." He searched the other man and found the half pint of liquor, and he said, "You are a respectable citizen. Go hence!"

Economic conditions made it necessary that we take the gold of the Nation.

Mr. GLASS. What are they doing with it? There it is, like so much lumber. What are they doing with it? It has been demonetized.

Mr. THOMAS of Oklahoma. It is nice to think we have it.

Mr. GLASS. The Senator thinks it is nice to have gold?

Mr. THOMAS of Oklahoma. Yes, Mr. President, it is nice to have gold, because only on yesterday we traded a good many ounces of gold for silver, and that silver is going to do us some good; but I will come to that later.

Mr. CONNALLY. Mr. President, will the Senator yield to me?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. May I suggest to the Senator my answer to the interrogatory as to what we are doing with gold? We are doing with it just what we always did with it. We kept it in vaults, kept it, not in circulation but in reserve. The only difference is that it is now in the Government's Treasury, in the Government's reserve, instead of being in the banks' reserves, or in somebody's sock somewhere.

Mr. GLASS. What is a reserve for? It is to pay a man who owns a paper promise to pay.

Mr. CONNALLY. Yes.

Mr. GLASS. They will not pay him now. They would pay him formerly. Does the Senator think this piece of paper I hold in my hand is money?

Mr. CONNALLY. I am sure that if the Senator from Virginia did not think it was money he would not be carrying it around.

Mr. GLASS. Oh, yes; I would. [Laughter.] It is not money. If it is money, why does it say that the United

States or the Federal Reserve Bank will pay \$20? Does the Senator think that is \$20?

Mr. CONNALLY. I do not care to transgress on the time of the Senator from Oklahoma—

Mr. THOMAS of Oklahoma. It is \$20.

Mr. GLASS. It is a piece of paper with a lie on its face.

Mr. THOMAS of Oklahoma. It looks more like \$20 to me than any paper I have recently seen.

Mr. GLASS. Perhaps so. If I had \$20 in gold, I could spend it anywhere. If I should take this paper to Europe, I could not get more than about half price for it; and if the Government keeps on issuing such bills in this country, we will not be able to get anything for them.

Mr. CONNALLY. I do not care to take up the time of the Senator from Oklahoma in an argument with the Senator from Virginia.

Mr. GLASS. The Senator started in on my \$20 note. [Laughter.]

Mr. CONNALLY. No; the Senator interrupted me. I beg the pardon of the Senator from Virginia. The Senator from Texas did not start in either on him or his money, because the Senator is not in the class, either in a money way or an intellectual way, with the Senator from Virginia.

Mr. GLASS. The Senator has more money than I have. I am not prepared to say he has more intellect than I have. [Laughter.]

Mr. CONNALLY. I am not as ostentatious with my money as is the Senator from Virginia. He takes pleasure in showing on every occasion how much money he has.

Mr. GLASS. I can easily do that. [Laughter.]

Mr. CONNALLY. I do not want to take up more of the time of the Senator from Oklahoma except to suggest that gold, being a medium of exchange, being an agency of the Government by which all values are measured, takes on a public character; it is vested with a public character; and the fact that one does not go down and get the dollar in gold is no proof that he does not have the value of that dollar, because so long as the Government has in its vaults sufficient gold reserves, and so long as the law provides that 15 and a fraction grains of gold are a dollar, his dollar is secure.

Why anyone should want to go down and get a gold dollar except to hoard I cannot understand. In the old days, when paper was redeemable in gold, it was only at the Christmas season that a man went down and got a \$5 gold piece or \$10 gold piece to give his family. That was ordinarily the only time we used any gold at all. Everyone knows that with the limited gold reserves which we had in 1933, had there been a run on the gold reserves of the Nation the first people to get to the window would have gotten all the gold; and the rest of the people, who had silver dollars and paper dollars which the act of 1900 said should be redeemable in gold, just as the gold certificate is redeemable, would not have gotten any gold.

Mr. GLASS. Mr. President, what was the limit in 1933 of the reserves of the country?

Mr. CONNALLY. I do not know.

Mr. GLASS. But the Senator spoke of the "limited reserves" we had. We had a reserve of 76 percent. We had one-third of the gold of all the world.

Mr. CONNALLY. We did not have 100 percent.

Mr. GLASS. How absurd it is to say that we did not have 100 percent when the experience of 150 years showed that we required only 5 percent to redeem!

Mr. CONNALLY. Certainly; but was the year 1933, with its critical situation, the average of 140 years? That is the very reason why the Senator from Texas says that in ordinary times no one is going to ask for gold; but in the critical period of 1933, the Senator from Virginia ought to know, and I think he does know, that there was more of a spirit of making a raid on the banks and on the Treasury than there was in normal times.

Mr. GLASS. The Senator from Virginia does not know anything of the kind, and the Senator from Texas does not know anything of the kind. The Senator from Virginia knows that this country held 43 percent of all the gold in

the world, and there was not any necessity on the face of the globe for us to go off the gold standard—not one particle of necessity.

Mr. CONNALLY. I will say to the Senator from Oklahoma that I did not invite this exchange with the Senator from Virginia.

Mr. GLASS. Oh, yes; the Senator did. The Senator started it, and the Record will so show.

Mr. CONNALLY. Very well. There is no one who can discuss matters with the Senator from Virginia. He is like the Hapsburgs—he never forgets anything, and he never learns anything new.

Mr. GLASS. Well, I have not been exactly dethroned as yet, and I am not in exile, either. I may be next year, but I am not now; and as long as I am not in exile I am going to stand here in my place and express my mind.

Mr. CONNALLY. I hope the Senator will be here next year, and the year after, and the year following that. I have no doubt that if he is here he will do what he says he will do—express himself.

Mr. GLASS. Yes.

Mr. THOMAS of Oklahoma. Mr. President, getting back to the money question again [laughter], our troubles are still monetary. On the 1st of January 1933, at the end of the dynasty which is no more and the beginning of the one which now exists, we had a total monetary gold stock in the sum of \$4,549,000,000. At the same time we had money in circulation, of all kinds and character, in the total sum of \$5,589,000,000.

Now let me come back to the Senator from Texas. I have just stated that, in my judgment, the Senator was responsible for the policy of reducing the gold value of the dollar. Acting under the authority granted by the Congress, the President took 40 percent of the gold from every gold dollar and added it to a profit fund. When he had completed his activities he added up his profits fund and found that the gold so taken from the dollars made the sum of \$2,812,000,000. Two billion eight hundred and twelve million dollars accrued to the Treasury in profit because of the suggestion made by the junior Senator from Texas. That will pay his salary for 28,000 years, and I hope he will stay here to serve out the entire 28,000 years.

Mr. GLASS. Mr. President, the difference is that the Senator calls it profit, and I call it plunder.

Mr. THOMAS of Oklahoma. Mr. President, I think the country understands what it is.

Mr. GLASS. I think so.

Mr. THOMAS of Oklahoma. I am satisfied with that understanding.

Mr. GLASS. So am I.

Mr. THOMAS of Oklahoma. I should like to put the matter to a test, to a referendum of the people of the United States, and I should be glad to agree in advance to abide by the test.

Mr. GLASS. Of course, if everyone were allowed to vote who did not have anything, the Senator would carry the day.

Mr. THOMAS of Oklahoma. Mr. President, that being the test, it would carry by about 95 percent.

The President today has power to take this piece of gold, which I indicate on my chart, from the dollar and put it over in the profit fund. That is the portion of the cardboard which I have indicated to the Senate. That little piece of gold is 10 percent of the former gold dollar. It is approximately 20 percent of the present dollar. That piece of gold, if detached from the dollar and weighed, would weigh 2½ grains. If the President should do what he could do this afternoon, by signing his name to an order he could clip that little piece of gold from every gold dollar in the United States. On yesterday afternoon we had gold dollars to the extent of \$8,551,000,000. The President this afternoon could clip this little piece of gold and put it in the profit. When he got it all clipped he could put it in the profit, and that little piece of gold taken from each dollar, in total, would make an added profit in the Treasury of \$1,500,000,000.

Mr. GLASS. Mr. President, does not the Senator understand that that is what is the matter with the business of the country? No one knows how soon the other 10 percent is going to be clipped off; and, when that is clipped off, no one knows how much more is going to be clipped off, and that has produced confusion and a state of terror in the business circles of the United States.

Mr. THOMAS of Oklahoma. Exactly so; and the distinguished Senator and I would not disagree on the policy, I am sure. If we could get off by ourselves somewhere, we could solve this problem.

We started out with a dollar of the size I indicate with my chart. Times got bad. We could not operate with that kind of a dollar. We reduced the size of the dollar to the size I now indicate. Now we find that we cannot operate with this sort of a dollar; and the longer we go, the less gold will remain in the dollar.

It is proposed by this joint resolution to appropriate \$5,000,000,000. Next year \$5,000,000,000 or \$7,000,000,000 more may have to be appropriated, unless the monetary question shall be adjusted. Then this gold dollar will gradually dwindle away. It may get to be only the size I now indicate; and if we keep on we may be lucky if the gold dollar of the United States contains the amount of gold I now indicate.

Italy became involved in debt. Italy had the lira. The lira on the old basis contained 19.3 cents of gold. Italy became so heavily involved in debt that she could not pay with that expensive lira, although it was worth only 19.3 cents. So, to meet her indebtedness and her expenses, Italy reduced the gold content of the lira from 19.3 cents to 5½ cents, and Italy is still living. She is having a hard time to get by with her present indebtedness, with the lira now worth only 5½ cents in American money of the value it was before being devalued.

France became involved in debt because of the war. France could not pay her indebtedness. France had the franc. The franc was worth 19.3 cents. The French people could not get francs in sufficient number to pay their indebtedness. What happened? France reduced the value of the franc from 19.3 cents to 3.91 and a fraction cents. Now the gold franc in France is tottering upon the throne. It is still so high that the people cannot get enough francs with which to pay their bills. It would not surprise me to get at any moment the information that France has been forced from the gold standard.

Only three countries are left on the gold standard—France, Switzerland, and the Netherlands. All but those three have gone off the gold standard. The problem is a domestic problem. The money of every nation is that nation's own domestic problem. Other nations should have nothing to say about what we call our money—dollar, peso, milreis, ruble, or mark. We call it what we will. We make money as we desire to make money. Until recently we had more than 5,500 different kinds of paper money in circulation. We had nine groups of money in circulation. We had gold certificates. That was group no. 1. We had two kinds of silver certificates—one kind payable in the dollar and one kind payable in a dollar's worth of silver. That made two groups of silver certificates.

Then we had the Treasury notes of 1890; then we had the Federal Reserve notes; we had the Federal Reserve bank notes; we had the Treasury notes; we had the national-bank currency; we had the national currency, United States Treasury notes—nine different groups.

The national bank notes were issued by 5,500 banks.

Each national bank had its own issue of its own money. That made as many kinds of national-bank currency as there were national banks that had issues outstanding. The Treasury Department is now retiring all this conglomeration of paper money, and I approve that course. They have taken the 5,500 kinds of national-bank notes out of circulation. Such notes are the easiest thing in the world to imitate and counterfeit. Any kind of paper, half green and half yellow, with some pictures and some names on it, looks about like some of the national-bank notes I have seen. That is one

reason why national-bank notes, being easy to counterfeit, are being retired, and we will not have them in circulation any more. The Department is recalling the Federal Reserve bank notes, which are comparable to the national-bank notes. They are recalling the national currency; gold certificates have gone out of circulation. The Treasury notes of 1890 will go out of circulation as soon as they show up, and there are only about a million of them in existence and now outstanding.

The sooner the responsible authorities of the Government proceed to regulate and adjust the value of our dollar the better they will serve America's domestic economy. That policy will serve all the people of America.

We are not ready to stabilize the dollar; Great Britain is not ready to stabilize the pound; Germany, perhaps, is not ready to stabilize the mark; Russia is not ready to stabilize the ruble; Switzerland is not ready to stabilize the Swiss franc; Italy is not ready to stabilize the lira. I could go through the list. Mexico is not ready to stabilize the peso. Why? Because they are not sure the present value of their money is the value which they want to continue. They cannot be sure until other countries evidence some desire to fix a stable point for their own currency. We cannot stabilize until Great Britain stabilizes; Great Britain cannot stabilize until America stabilizes. If we should stabilize first, then Great Britain could drop the value of her pound below the dollar and take the world's trade.

We have evidence of that, for while Great Britain has been trying to keep her pound stable, Japan has been reducing the value of the Japanese yen; and to the extent that Japan has reduced the value of the Japanese yen, comparably below the value of the pound, Japan is taking the trade of Great Britain. Within only the last few days Great Britain proceeded to drop the value of the pound so that she could proceed on a better scale, and a better foundation, and a better basis with the rising prosperous country of Japan.

Mr. President, I have taken considerable time to lay the foundation for my amendment. In that particular I have followed the precedent set on yesterday by the distinguished Senator from Idaho [Mr. BORAH]. He had an amendment proposing to repeal a section of the National Recovery Act which had formerly made inoperative the antitrust laws. The distinguished Senator from Idaho made his speech in advance, explaining what his problem was, and then offered his amendment. I have tried to explain what our problem is, and now I come to the point where I will offer my amendment.

Mr. President, I propose this amendment as a solution for some of our problems, though not all of them. The amendment I shall offer will be an amendment in the interest of the producers, not in the interests of the silver miners. I do not live in a silver-mining State. If there is any silver in the ground under the mountains of my State I do not know it. I could not be offering a silver amendment to help my silver-mining constituents, for I have none. I am offering this silver amendment to make silver serve the people of my State; and when I make silver, if I may, serve the people of my State, it will serve the people of every other State. I offer this amendment to help the producers. I offer this amendment to help the unemployed. I offer this amendment to help the 22,000,000 men, women, and children who today are receiving the dole. I offer this amendment to help the taxpayers of America. I offer this amendment to permit the possibility of this great Government of ours balancing its Budget. There is no hope ever to balance the Budget of the Government unless we have some further monetary adjustment.

The distinguished Senator from Virginia [Mr. GLASS] may call that tinkering with the currency, but the currency has been tinkered with during the past 10 or 12 years. The dollar was tinkered up from a value of 64 cents to a value of 167 cents, not by the Congress of the United States but because the Congress of the United States refused to see, or if they saw they refused to act.

I offer this amendment on behalf of the industrial sections of the Nation. This amendment is a banker's amendment; it is a bondholder's amendment. I have a job on my

hands to prove that this amendment is what I say it is, but that will be my task.

If I represented a State of two and a half million people, as I am trying to do, and if every one of my constituents was a millionaire, and every millionaire a constituent of mine had all his money in bonds of the United States, I would make the same speech if I could as I am now making; I would say the same things I have said and the same things I am going to say. Where are my constituents, assuming them all to be millionaires owning bonds, going to get payment for their coupons unless some people somewhere make some money with which to pay those coupons and redeem them? Where are my constituents, loaded up with millions of dollars of United States bonds, to get their money when those bonds become due unless the people somewhere can make some money with which to pay those bonds?

Mr. President, I ask that the Secretary read the amendment.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 10, after the amendment heretofore agreed to, it is proposed to insert the following:

PART II—FINANCING—EXPANSION OF CURRENCY THEREBY MAKING IT POSSIBLE FOR THE PEOPLE TO SECURE FUNDS FOR PAYMENT OF TAXES NECESSARY TO BALANCE THE BUDGET AND TO MEET THE INTEREST AND PRINCIPAL OF THE BONDS MADE NECESSARY BY THE APPROPRIATION MADE IN SECTION 1 OF THIS ACT

SEC. 12. The Secretary of the Treasury is hereby authorized and directed—

(1) To issue silver certificates against all silver bullion now held or hereafter acquired at its monetary value, and such silver certificates shall be placed in circulation immediately through the payment of maturing obligations.

(2) All silver certificates issued and outside the Treasury, and all silver certificates which may be hereafter issued, shall, upon receipt by the Secretary of the Treasury, be reissued and paid out again and kept in circulation as provided for legal-tender notes in chapter 146 of the United States Statutes at Large, Forty-fifth Congress, and approved May 31, 1878.

SEC. 13. The Secretary of the Treasury is hereby authorized and directed to purchase silver bullion at the rate of not less than 50,000,000 ounces per month wherever silver shall be procurable at a price to be fixed by him from time to time, and the silver so purchased shall be paid for, held, and deposited as provided by law: *Provided*, That such purchase of silver shall continue until the proportion of silver to gold in the monetary stocks of the United States shall equal one-fourth of the monetary value of such stocks, or until the price of silver in the world markets, based upon international exchange, shall reach the value of \$1.29 per fine ounce, whereupon such purchases shall cease: *Provided further*, That (a) at any time the price of silver in such world markets reaches the value of \$1.29 per fine ounce, the mint is hereby opened to the free acceptance of silver upon the basis of 371¼ grains of fine silver to the dollar as provided in section 9 of chapter 16 of the First Statutes of 1792; (b) that payment for all silver accepted, as provided herein, shall be made in standard silver dollars or in silver certificates at the option of the person, firm, association, or corporation tending silver for coinage; (c) that to the end that the necessary proportion of silver may be acquired for our metallic monetary stocks, the Secretary of the Treasury may, in his discretion, exchange gold or silver on a fair and equitable basis of price and silver certificates shall be issued immediately against all silver thus acquired by such exchange as provided in paragraph 1 of section 12 hereof; (d) that the Secretary of the Treasury is hereby authorized, in his discretion, to accept silver at an agreed price in settlement and adjustment of any balance due the United States; and (e) that the Secretary of the Treasury shall make all needful rules and regulations for carrying into effect the provisions of this title.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. FRAZIER. Mr. President, I should like to suggest the absence of a quorum, if the Senator will yield for that purpose.

Mr. THOMAS of Oklahoma. I yield.

Mr. FRAZIER. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Bankhead	Bone	Burke
Ashurst	Barbour	Borah	Byrd
Austin	Barkley	Brown	Capper
Bachman	Bilbo	Bulkeley	Clark
Bailey	Black	Bulow	Connally

Coolidge	Hale	Minton	Shipstead
Copeland	Harrison	Murphy	Smith
Costigan	Hastings	Murray	Steiwer
Couzens	Hatch	Neely	Thomas, Okla.
Cutting	Hayden	Norbeck	Thomas, Utah
Dickinson	Johnson	Norris	Townsend
Dieterich	Keyes	Nye	Trammell
Donahay	King	O'Mahoney	Truman
Duffy	La Follette	Pittman	Tydings
Fletcher	Logan	Pope	Vandenberg
Frazier	Lonergan	Radcliffe	Van Nuys
George	McAdoo	Reynolds	Wagner
Gerry	McCarran	Robinson	Walsh
Gibson	McGill	Russell	Wheeler
Glass	McKellar	Schall	White
Gore	McNary	Schwellenbach	
Guffey	Maloney	Sheppard	

Mr. ROBINSON. I desire to announce that the Senator from Arkansas [Mrs. CARAWAY] and the Senator from Louisiana [Mr. OVERTON] are absent on account of illness.

I also desire to announce that the Senator from South Carolina [Mr. BYRNES], the Senator from Illinois [Mr. LEWIS], the Senator from Louisiana [Mr. LONG], and the Senator from New Jersey [Mr. MOORE], are necessarily detained.

The PRESIDING OFFICER. Eighty-six Senators having answered to their names, a quorum is present.

Mr. THOMAS of Oklahoma. Mr. President, there has just been read at the desk an amendment which I offered and which now is before the Senate.

The amendment proposes to carry out the policy initiated by the last session of Congress. The amendment is so simple and so plain that anyone within or without the Congress can understand it; but if for just a moment I may have the attention of those who may be interested, I will explain the amendment. Then no one need be in doubt as to what the amendment means.

The amendment has several different ideas or plans or proposals. The first one is this:

Last year we authorized the Government to buy silver. In that authorization the Government had the option of issuing certificates against the silver at the value of the silver. That means what the Government paid for it. By way of illustration, I exhibit to the Senate a block of wood. I will call this block of wood 100 ounces of silver. Under the terms of that law the Government bought this silver at 50 cents an ounce. It bought some for less; it bought some for 50 cents and it bought some for more; but, for illustration, I will say it paid 50 cents an ounce. The Treasury Department paid for the 100 ounces of silver represented by this block \$50. Under the law the Treasury Department has issued certificates against this silver to the extent of \$50—what it cost.

Under the practice heretofore, the Treasury Department issued silver certificates against its silver at the rate of \$1.29 an ounce. That was on the theory that the silver in the silver dollar was worth a dollar.

I exhibit to the Senate a silver dollar that contains 371¼ grains of fine silver. If silver is worth \$1.29 an ounce, then the silver in this silver dollar is worth a dollar; but because silver is not worth \$1.29 an ounce, the silver in this dollar, as quoted, is worth less than 50 cents.

The point is this: The Treasury has bought about 400,000,000 ounces of silver. Against this silver the Treasury has issued \$200,000,000 in certificates. The Treasury can issue certificates against the silver to the full extent of the \$1.29 an ounce, as it has been doing for years past. This proposal directs the Treasury to issue certificates against the silver that we have at the rate of \$1.29 an ounce instead of issuing them for the amount the Treasury paid for it.

If that provision could be enacted into law, we could thereby increase the circulation almost \$400,000,000. I am offering this amendment to get some money in circulation.

This provision will provide for the immediate expansion of the currency to the extent of about \$400,000,000 by issuing certificates against our silver at the old ratio of \$1.29 an ounce. It has been done for an indefinite time in the past. It never stopped until the past 2 or 3 months. I am proposing that that be done instead of just issuing certificates for the amount we paid for the silver.

That is the first provision of my amendment. If anyone is against that, I should be glad to have him say so.

Mr. PITTMAN. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Nevada.

Mr. PITTMAN. Section 5 of the Silver Purchase Act of 1934 provides:

The Secretary of the Treasury is authorized and directed to issue silver certificates in such denominations as he may from time to time prescribe in a face amount not less than the cost of all silver purchased under the authority of section 3.

I call attention to the fact that the limitation there of "not less" does not prohibit him from issuing certificates for the full amount.

Mr. THOMAS of Oklahoma. Exactly so, Mr. President; and when we place a limitation that he shall issue certificates of a value not less than the amount the Department paid, that is the program the Treasury Department is following, and that is what I complain of. The Treasury Department is trying to keep from circulation every dollar it can possibly keep from circulation. I ask why, when the people are starving for money?

That is the only trouble with this country. What is the trouble with the 22,000,000 people on the dole? They want money. They have not money, and they cannot get it. What about the 10,000,000 people who are unemployed? They want jobs to earn money. They cannot get either. The money does not exist. Somebody is keeping the money from even getting to the point where the people can possibly get it.

Mr. PITTMAN. Mr. President, will the Senator yield again?

Mr. THOMAS of Oklahoma. I yield.

Mr. PITTMAN. I offered an amendment to the so-called "Gold Reserve Act" of 1934 on the same subject, which reads as follows:

The President is further authorized to issue silver certificates in such denominations as he may prescribe against any silver bullion, silver, or standard silver dollars in the Treasury not then held for redemption of any outstanding silver certificates, and to coin standard silver dollars or subsidiary currency for the redemption of such silver certificates.

That provision, taken in connection with the provision of the Silver Act which says the Secretary of the Treasury shall issue silver certificates to an amount not less than the amount the Government paid for the silver, would seem to me to indicate that it was the plain intention of Congress, by virtue of those two provisions, that silver certificates should be issued against all bullion, silver dollars, and silver currency in the Treasury of the United States.

Mr. THOMAS of Oklahoma. At what rate, may I ask the Senator?

Mr. PITTMAN. At their face value; at par.

Mr. THOMAS of Oklahoma. Does the Senator mean at the rate of \$1.29 an ounce?

Mr. PITTMAN. Yes.

Mr. THOMAS of Oklahoma. I agree with the Senator; but the Treasury officials are not doing it. Apparently, they are not going to do it; and I have proposed in this amendment an instruction to the Treasury Department that when they have silver, they shall issue certificates against that silver as they have done for 150 years, for as long as silver certificates have been issued, at the rate of \$1.29 an ounce, on the theory that the silver in the dollar is, or should be, worth a dollar.

Mr. NORRIS. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. As I understand, the effect of the Senator's amendment, so far as he has explained it, is simply to direct the Secretary of the Treasury to do what he already has authority to do under the law. Is that correct?

Mr. THOMAS of Oklahoma. Exactly so. Let me read this section. It is just a line or two.

The Secretary of the Treasury is hereby authorized and directed—
(1) To issue silver certificates against all silver bullion now held or hereafter acquired at its monetary value, and such silver certificates shall be placed in circulation immediately through the payment of maturing obligations.

The monetary value is \$1.29 an ounce. The amendment directs the Secretary to do what he could do, but is refusing to do. Does anyone take exception to this direction?

That is provision no. 1.

When the Treasury issues these certificates, and places them in circulation, sometimes they get back into the hands of Federal Reserve banks and Federal Reserve bank agents; and the Federal Reserve banks and Federal Reserve bank agents apparently do not like silver certificates, and they hoard them away and keep them from circulation.

I read from Treasury folder, form 1028, of date January 31, 1935, which means the first of February, just 6 weeks ago. This statement shows that the Federal Reserve banks and the Federal Reserve agents had of these certificates in their vaults the sum of \$129,000,000. In other words, the Congress, trying to get money in circulation, places the money in circulation, and then the Federal Reserve banks and the Federal Reserve agents, when they get their hands on it, place it by in a vault and prevent it from being in circulation in the future.

Mr. President, this problem came up once before in the Congress. A long time ago the Congress authorized Mr. Lincoln to issue greenbacks. He issued a lot of greenbacks, \$450,000,000 of them; and after the Civil War was over the authorities began to get the loose ends of revenue together and collect money, and they began to retire these greenbacks.

Within 10 years after the war was over they retired over \$100,000,000 of greenbacks, and greenbacks began to be scarce. It was the only money they had. They had not redeemed in specie yet. So, as the greenbacks became scarcer and scarcer, greenbacks went up in value and commodity values fell. The Congress in that day would act, and the Congress passed a bill instructing the Treasury not to redeem any more of those greenbacks, to keep the greenbacks then in circulation in constant circulation. Here is the law, chapter 146, second session, Forty-eighth Congress, act approved May 31, 1878. I read the law:

Be it enacted, etc., That from and after the passage of this act it shall not be lawful for the Secretary of the Treasury or other officer under him to cancel or retire any more of the United States legal-tender notes.

By that they stopped the cancelation of these notes, for the reason that notes were being canceled, taken out of circulation, money was getting scarcer, money was going up, and prices were going down. There was deflation in 1878. I read further:

And when any of said notes may be redeemed or be received into the Treasury under any law from any source whatever and shall belong to the United States, they shall not be retired, canceled, or destroyed, but they shall be reissued and paid out again and kept in circulation: *Provided*, That nothing herein shall prohibit the cancelation and destruction of mutilated notes and the issue of other notes of like denomination in their stead, as now provided by law.

This act did two things—first, it stopped the cancelation of greenbacks; and second, commanded the Secretary of the Treasury to keep the greenbacks then in circulation in constant circulation. That was 70 years ago, and during these 70 years the remainder of those old greenbacks—"Lincoln" greenbacks, so called—\$346,000,000 of them—have been kept in constant circulation. In 70 years' time no bonds have been required to stand back of \$346,000,000 of greenbacks. Because no bonds were back of those greenbacks, the people did not have to pay any interest to keep that money in circulation, and because the people did not have to pay any interest to support bonds in 70 years' time, the people have saved more than \$11,000,000,000 in interest alone, because they did not have to pay interest on the bonds.

Mr. GORE. Mr. President—

The PRESIDING OFFICER (Mr. BYRD in the chair). Does the Senator from Oklahoma yield to his colleague?

Mr. THOMAS of Oklahoma. I yield to my colleague.

Mr. GORE. I call the Senator's attention to this fact: Since the greenbacks became redeemable in gold, on January 1, 1879, we have carried a gold reserve for their redemption. It was around \$156,000,000 a year ago when the new policy was instituted. The interest on the gold reserves

which have been held in the Treasury for the redemption of those greenbacks exceeds the \$346,000,000 of greenbacks, and if they had been retired there would have been a saving, from that point of view, to the Treasury and to the taxpayers of the country.

Mr. THOMAS of Oklahoma. It is too bad the Senator was not in the Senate at that time.

Mr. GORE. That is aside from the point.

Mr. THOMAS of Oklahoma. With \$346,000,000 of these greenbacks in circulation, there never has been \$346,000,000 of gold back of them. The gold supported not only the greenbacks but supported other paper, and it had no effect on the validity of the greenbacks, but saved about 30 percent of their value.

Does anyone oppose the second provision of the amendment, which requires that the silver certificates, when used and sent back to the Treasury, shall be reissued and paid out again? I am trying to get the \$129,000,000 in the 12 Federal Reserve banks out into circulation. That would expand our currency another \$129,000,000.

We get about \$400,000,000 from the issuance of silver certificates, the full monetary value, and another \$129,000,000, and taking this money that is now hoarded and putting that into circulation.

Is anybody opposed to that? That will expand the currency more than half a billion dollars. That is point no. 2.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. I wish the Senator would read, at this point in his address his second point, so that we may know what he is driving at.

Mr. THOMAS of Oklahoma. No. 2 is as follows:

All silver certificates issued and outside the Treasury, and all silver certificates which may be hereafter issued, shall, upon receipt by the Secretary of the Treasury, be reissued and paid out again and kept in circulation as provided for legal-tender notes in chapter 146 of the United States Statutes at Large, Forty-fifth Congress, and approved May 31, 1878.

I intend to make that section, passed in 1878, which has applied to greenbacks for 70 years, apply now to silver certificates, and that is all.

Mr. NORRIS. Then \$129,000,000 is kept out of circulation by the Reserve banks. The provision of the Senator's amendment relating to the reissue of this money applies only to the Secretary of the Treasury.

Mr. THOMAS of Oklahoma. That is true; but I think the Senator will take judicial notice of the fact that the Treasury Department now runs the Federal Reserve System. The distinguished Senator from Virginia has been complaining for 2 or 3 years because the Secretary of the Treasury does run the Federal Reserve System. If this provision should go into the law, of course the Treasury Department might not take any step to get the money into circulation, but such a position would be contrary to the spirit of the law, and if the provision should not be complied with, when we came into session again the Secretary of the Treasury would probably hear from us.

I have referred to provision no. 2. Anyone can understand that, and be for it or against it.

Last year we provided that the Treasury Department should go into the open market and commence buying silver in order to increase our silver stocks up to 25 percent of our total monetary stock, which is supposed to be 100 percent—75 percent in gold and 25 percent in silver. At that time we had 700,000,000 ounces of silver. To get our monetary stock up to 25 percent when we passed the bill would have required about 1,300,000,000 ounces of silver.

It was not made mandatory last year that the Treasury Department should buy a single ounce, but the Treasury Department has bought some silver. They bought about 400,000,000 ounces of silver. Nobody really knows how much they bought. Some guesses have been made, but no report has been submitted, so far as I know; and the best estimates have been made by the news gatherers, who have the sharpest noses for getting news. If anything exists, they can get news of it when they want to. They have reported in recent

news stories that the United States has acquired about 400,000,000 ounces of silver.

Section 12 requires the Treasury Department, by a mandatory order, to go into the open market and commence buying silver at the rate of 50,000,000 ounces a month. According to the present amount of gold, it will take about 22 months to complete this program, if they buy 50,000,000 each month.

Mr. NORRIS. What does the Senator mean by "section 12"? He has referred to that several times.

Mr. THOMAS of Oklahoma. This is title 2 of the joint resolution, and I carry the sections through. The first section of my amendment is a new section to the joint resolution. We have had section 12, and what I am talking about now is section 13.

Mr. NORRIS. It is the third proposition?

Mr. THOMAS of Oklahoma. It is the third branch of my amendment. The third proposal is that the Treasury Department be directed to enter the open markets of America and the world and begin buying silver, paying what they have to pay for it, and procure 50,000,000 ounces a month.

Silver today is worth 57¾ cents, or something like that. That means that an ounce of silver can be had today for less than 59 cents. I do not know the exact figure.

When we get the silver, we issue certificates against it at what it costs. I am trying to force the issuance of silver to the full amount of \$1.29. So, if we get 50,000,000 ounces a month and issue certificates against it, we can make a profit on what we buy, and the profit will be measured by the difference between what we pay for the silver and \$1.29 an ounce.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. HAYDEN. I am in quite thorough accord with the Senator in respect to his section 12 of the joint resolution. It makes mandatory that which is already authorized by law, and I think we enacted a statute last year with the clear intention that we should purchase silver. But when the Senator comes to the third proposition, making it mandatory to buy a certain quantity of silver every month, that is something new, something which never has been passed upon by the Congress heretofore.

Mr. THOMAS of Oklahoma. Not in recent years, but it was in the Bland-Allison Act, the Sherman Act, and one or two other acts.

Mr. HAYDEN. But not in recent years.

Mr. THOMAS of Oklahoma. That is correct.

Mr. HAYDEN. Nothing was done for silver for nearly half a century.

Mr. THOMAS of Oklahoma. That is correct.

Mr. HAYDEN. We began within the past 2 years to consider silver again as money. For the first time, at least in recent years, the Senator is proposing that a definite quantity of silver be bought each month. I am just trying to look at the effect of that on the market as a business proposition.

If it is known that our Treasury must buy a certain quantity of silver every month, those who possess silver will know that, and we must protect the purchases, whereas the way it has been we could buy a large quantity one month, if the price was satisfactory, and if the price rose and was not satisfactory, the next month we could drop out of the market and then come back in again. Does the Senator feel that through the adoption of this 50,000,000-ounce-a-month provision the price will be raised to \$1.29 immediately?

Mr. THOMAS of Oklahoma. Not immediately; no. I welcome the suggestion made by the distinguished Senator from Arizona. We adopted the silver amendment last year for one purpose, as I believe, namely, in order to get some money into circulation. That was my incentive. I have no interest in silver as silver, but I do have an interest in providing a plan for getting some money into circulation, so that the people can have a chance to get it. We tried last year to pass a mandatory-purchase act, but powers stronger than some of us said, "No; we do not want to pass a man-

datory bill, but if the bill we suggest is passed we will carry out the policy enthusiastically." I heard that from high authority more than once, "Pass this bill." Senators on the floor are smiling. They likewise heard that statement made.

Mr. HAYDEN. On what date did Congress pass the bill?

Mr. THOMAS of Oklahoma. I can find the date and give it to the Senator in a moment.

Mr. HAYDEN. Has more than a year elapsed?

Mr. THOMAS of Oklahoma. No; not a year has elapsed.

Mr. GORE. It was the 12th of May, was it not?

Mr. HAYDEN. The Senator is sure that within a year we have purchased 400,000,000 ounces?

Mr. THOMAS of Oklahoma. Approximately.

Mr. HAYDEN. Fifty million ounces a month would be 600,000,000 ounces a year.

Mr. THOMAS of Oklahoma. That is correct.

Mr. HAYDEN. My information is that we have been doing practically what the Senator seeks to have done.

Mr. THOMAS of Oklahoma. What objection would there be, then, to putting that provision into the law?

Mr. HAYDEN. The difference is that now the Treasury Department is free to buy or not to buy, and we can make a greater profit by buying as, if, and when it is desired to do so than we can if there is a mandatory direction upon the Secretary of the Treasury that every month he must buy so much silver, and if he cannot get it for one price he must pay another. If the Senator's motive is to get the price up to \$1.29 an ounce, that is one thing. However, if we look at it from the point of view of the Treasury—that we ought to buy this silver as cheaply as we can get it because we are going to issue money against it—then the lower the price at which we buy it the more profit there is in the transaction.

Mr. THOMAS of Oklahoma. Mr. President, if it is not the purpose of Congress to raise the silver dollar to \$1.29, why buy silver? Why not buy pig iron, or buy copper in the great State of Arizona, if we are going to make silver token money worth no more than pig iron or copper?

Mr. HAYDEN. I am merely trying to find out what the Senator is seeking to do.

Mr. THOMAS of Oklahoma. If the Senator will be patient and listen to me, I shall come to it in a moment. I am sorry I am taking so much of the time of the Senate. I am sorry I have to speak all afternoon; but a subject such as this cannot be dealt with in a short time. One cannot take up the subject of medicine and discuss that subject in a few minutes. One cannot talk about the debt situation and the money situation in the United States and expect to devote only 45 minutes to such discussion.

The other day the distinguished leader came to me and pleaded with me to limit my speech to 45 minutes. I could not do that. I apologize for talking longer. However, I am not trying to hold up the Senate. I am trying to make a record in behalf of a class of people who cannot speak. I am trying to get silver to \$1.29 an ounce, otherwise I should be against silver. Otherwise I should sell the silver we have and buy cheaper metal—buy copper, for example—because silver today is no more valuable under our monetary system than are paper, copper, and pig iron—second-hand pig iron at that.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. We were told that the silver policy which was inaugurated a year ago would have some effect on our monetary system. I could not understand at that time how it would, and I do not understand now how it has had any effect. If the Senator thinks it has had any effect I wish he would tell us what effect it has had.

Mr. THOMAS of Oklahoma. The bill passed by the last Congress had no effect whatever upon the American monetary policy. The status of silver was not changed one iota. Silver was token money before we passed the bill. Silver is token money now. It is no more valuable in our monetary system than paper. Unless we raise silver value to \$1.29 an ounce or some other value and then see that silver is worth

that much, and proceed to protect it by establishing some ratio between it and gold, silver is just token money, no more valuable than patent leather, cardboard, or paper.

Mr. SHIPSTEAD. Mr. President, what ratio does the Senator propose?

Mr. THOMAS of Oklahoma. I shall come to that in just a moment. In ancient times the ratio was as low as 10 to 1. One ounce of gold was worth 10 ounces of silver. The ratio fluctuated. When the Nation was first established, back in 1789, the ratio of silver was 15 to 1. The first Continental Congress, which met before the Constitution was adopted, adopted the monetary unit. Did it fix the gold standard for the money at that time, when the Colonies were struggling for independence? No; it fixed the silver dollar as the first standard of money for America, each silver dollar to be of the value of a Spanish milled dollar and to contain $371\frac{1}{4}$ grains of fine silver. One of the first acts of the American Congress was to make the Spanish milled dollar the standard of value for the dollar of current circulation in America; and it provided that the American silver dollar should contain the same amount of silver, the same number of grains— $371\frac{1}{4}$ —but it tied it by name to the Spanish milled dollar. So the first unit, the first dollar which America as an organized nation had was the silver dollar; and it served the American people from colonial days until within a few years ago. Then, suddenly, as I presume the Senator from Virginia would say, silver was demonetized. Whether that was done designedly or fictitiously or surreptitiously I shall not now take time to discuss.

Mr. SHIPSTEAD. I do not desire to interfere with the Senator's argument, but I should like to ask just one question: If the Senator's amendment should be adopted, does the Senator think a ratio would be established?

Mr. THOMAS of Oklahoma. I am coming to that point. I anticipated the Senator's question. I will answer it as I go along.

There is no chance today of fixing the ratio between gold and silver because silver is still cheap. Gold is too high. They are too far apart. At the present time the silver in the silver dollar is worth 50 cents. The ratio would be wide. It would be 75 or 80 to 1. I am not good at mathematics, but the ratio would be 1 ounce of gold to a great number of ounces of silver. It would be one to a great number. If we should raise the price of silver to \$1.29 an ounce, the silver in the dollar would be worth a dollar in gold or in anything else. That would bring the ratio between a silver dollar and the present gold dollar down to about 27 to 1, if my figures serve me correctly. So we have to raise the value of silver to \$1.29 an ounce before we can even have a ratio of 1 to 27.

It is my policy and my purpose to force the Treasury to commence buying silver and to do a number of other things: First, to place more money in circulation, to make money more plentiful, to make money cheaper, and raise prices. Second, to raise the price of silver so that the silver in the silver dollar will be worth a dollar. When it is, the silver dollar will be good throughout the world. It will then be as good as gold. China will accept it; India will accept it; the English possessions will accept it; it will be accepted everywhere. They will not accept it today. A silver dollar is no better than a paper dollar, except that its owner could melt it up and get forty-odd cents for it. It is that much better than paper.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield to the Senator from North Carolina.

Mr. BAILEY. The Senator proposes, as I understand, that the Treasury shall buy silver at a constantly increasing price until it reaches the price of \$1.29. Is that correct?

Mr. THOMAS of Oklahoma. If the Senator will read section 2 of my amendment, he will find that there are two objectives. I will make my purpose plain. I am by law trying to force the Treasury Department to enter the markets of the world and buy silver at whatever price the Treasury has to pay, to the amount of 50,000,000 ounces a month, until one of two objectives shall be attained: First, until we get our 25 percent of monetary stock in the Treasury, when we will quit, or until silver reaches \$1.29 an ounce.

Mr. BAILEY. "Until silver reaches \$1.29 an ounce"—\$1.29 in what? Is it \$1.29 in gold?

Mr. THOMAS of Oklahoma. At the present time we are presumed to measure everything in gold. That brings up a great many questions. A great many questions are involved in this money question.

Mr. BAILEY. Is that what the Senator is driving at?

Mr. THOMAS of Oklahoma. Yes. My objective is that the silver in a silver dollar shall be worth a dollar in gold. The reason why we cannot fix any ratio now, or think about fixing a ratio, is, in my opinion, because the gold dollar is not fixed permanently. I do not think the new gold dollar will contain 15.521 grains of gold. It may. It may contain less. No one can say. Until we fix the grains of gold in the gold dollar permanently, as we think, we cannot talk about ratio, because the ratio between gold and silver must be tied to one of them. If we should establish the ratio between the present gold dollar and the present silver dollar, it would be 27 to 1. If the President should see fit, in the next few days, to take off a part of this gold dollar, then the ratio would change. The ratio then would be 32 to 1. So we cannot now even figure out the ratio.

Mr. BAILEY. But we can do some figuring. The Senate proposes to buy silver with American dollars at a constantly increasing price of silver until an ounce of silver sells for \$1.29 in American dollars, or in gold—which is it?

Mr. THOMAS of Oklahoma. That brings up a question. We have today two kinds of dollars in the United States. Every American dollar, when it gets beyond the border of this country, ceases to be of the same value as it is here. We have two dollars. Each has a separate value. The gold dollar abroad does not have the same value as the domestic dollar here at home. I think the Senator will agree with that statement.

Mr. BAILEY. I am just trying to get the facts. Is it \$1.29 in our present currency, or \$1.29 in gold; that is, the twenty-five-and-a-fraction-grain dollar, or the 15-grain dollar?

Mr. THOMAS of Oklahoma. Mr. President, if we buy gold abroad we must buy it with the dollar which is equivalent to 15.521 grains of gold; so, if we buy silver abroad, we buy with gold dollars.

Mr. BAILEY. If we buy silver abroad, we buy with the present gold dollars?

Mr. THOMAS of Oklahoma. We buy with gold dollars. The foreign sellers would not accept our paper money. We have to pay with gold. If we buy silver in this country, we buy with the paper dollars we have here. It does not make any difference here.

Mr. BAILEY. Is the price of the silver we buy measured in gold or in paper dollars? That is what I am driving at.

Mr. THOMAS of Oklahoma. All the time it is measured in gold, because we are not buying any silver in this country.

Mr. BAILEY. Let me make my point. Is it measured by American 15-grain gold dollars, or is it measured by the old 25-grain dollars?

Mr. THOMAS of Oklahoma. It is measured by the 15-grain dollar. The other dollar is a thing of the past.

Mr. WHEELER. What I was going to say to the Senator was that if we should raise the price of silver to \$1.29 we would be raising it to \$1.29 in American currency, which is now based upon a devaluated gold dollar. So what we would be doing, as a matter of fact, would be raising it to \$1.29 on the basis of a devaluated dollar, whether currency or gold.

Mr. THOMAS of Oklahoma. Mr. President, if we should pursue this policy and raise silver so that it would be worth \$1.29 in terms of our present money that would only mean that an ounce of silver would be worth 64½ cents as measured by the old predevaluated gold dollar. If we should raise silver today to \$1.29 an ounce it would only be comparable to silver at 64½ cents an ounce before we devaluated the gold dollar. That is not high; in my judgment, it is not high enough; but that is all we propose.

I wish to call the attention of the Senate to just one or two lines from an act of Congress approved April 2, 1792. That was a good many years ago. The act of Congress to which I refer is found in the United States Statutes at Large, No. 1, first session of the Second Congress. I said a while ago that the first dollar or unit of the American monetary system was the silver dollar. I now read to the Senate a few lines which verify my statement. I read from section 9 of the act referred to:

Dollars or units—each to be of the value of a Spanish-milled dollar the same as now current, and to contain 371 grains and four-sixteenths parts of a grain of pure or 416 grains of standard silver.

That is the authority for my statement that the first dollar that was provided for by the Congress was the silver dollar, and that dollar was the result of the recommendation made by the first Secretary of the Treasury, Alexander Hamilton; and I have the authority here contained in his report on the establishment of a mint, wherein he recommends the silver dollar. Of course, he recommends gold along with it.

Mr. SHIPSTEAD. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. As I have understood the Senator's idea of a monetary system, he considers money as chiefly a medium for the exchange of goods? Am I correct in that?

Mr. THOMAS of Oklahoma. Money is the tool of trade. How can we expect 125,000,000 American people to do anything without any tools? Yet Representatives in Congress and Senators refuse to let us act.

Mr. SHIPSTEAD. The banks furnish a medium of exchange in the form of credit to a large extent, constituting about 95 percent of the total medium of exchange. In 1929 there were about \$60,000,000,000, as I understand, in bank deposits available to furnish a medium of exchange. Can the Senator tell us what the bank deposits now are?

Mr. THOMAS of Oklahoma. The Senator is correct. In 1930 the bank deposits were just a few million dollars less than \$60,000,000,000. Then the depression came; people began to hoard money and draw it out of the banks; the banks began to fail; and, through their failure and the liquidation of obligations, the deposits fell to about \$40,000,000,000. In other words, during the last 4 or 5 years, we have lost something like \$20,000,000,000 of credit or deposit money.

Mr. SHIPSTEAD. We have lost a medium of exchange to that extent?

Mr. THOMAS of Oklahoma. Yes.

Mr. SHIPSTEAD. So that there are \$20,000,000,000 less as a medium of exchange than there were in 1929?

Mr. THOMAS of Oklahoma. That is correct.

Mr. SHIPSTEAD. To what extent will the Senator's proposal restore that amount of medium of exchange?

Mr. THOMAS of Oklahoma. Let me preface my answer with a statement. It is my contention that in good times, when confidence abounds, the country can have plenty of deposit or credit money, and it serves a very good purpose; so that in such times it is not necessary to have very much real money; but in times like these, when we have no confidence, when bank-deposit money is frozen and cannot be used, I am contending that it is necessary to increase the pocket money, the bank-change money in circulation. Then, when times get good again and confidence is restored, we can return to the use of bank-deposit money and we can withdraw the other money from circulation and put it away for future use. How much should go into circulation to do the job which I want done?

Mr. SHIPSTEAD. How much will the amendment of the Senator increase the medium of exchange?

Mr. THOMAS of Oklahoma. I said a moment ago that through the issuance of certificates of a monetary value instead of a real value we decreased the circulation by almost \$400,000,000. By issuing \$127,000,000 held by the Federal Reserve banks and the Federal Reserve agents and putting that in circulation there would be \$127,000,000 more, mak-

ing \$527,000,000. Now we have to buy another billion ounces of silver, and when silver is bought what we are doing is just trading paper for silver. I would be very glad to take up some scraps of paper, run them through the printing press, and trade them for a billion dollars, but the Treasury does not want to. The Treasury was against making a \$2,812,000,000 profit on gold devaluation until the Congress said that it could do so.

Through purchasing silver with paper or trading paper for silver to the extent of a billion ounces, we can issue \$1,290,000,000 in silver certificates against a billion ounces of silver. So we would put a billion dollars more in circulation under the amendment, when carried out, in 22 months; it would expand the circulation only about a billion and a half dollars, which is not radical, which is not dangerous, and it could be controlled all the way through.

Mr. O'MAHONEY. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. O'MAHONEY. I have followed the argument of the Senator with a great deal of interest. As I understand his proposal, it is, in simple terms, that in times of prosperity, when there is a great deal of credit currency, the real money of which he speaks is not needed?

Mr. THOMAS of Oklahoma. Exactly so.

Mr. O'MAHONEY. Whereas in times of depression, when credit currency has disappeared, real money is needed?

Mr. THOMAS of Oklahoma. Exactly so.

Mr. O'MAHONEY. And the Senator's objective now is to get real money into circulation?

Mr. THOMAS of Oklahoma. Yes; to take the place of credit money that is not operating. In other words, they are "slacker" dollars; they are lazy dollars that will not work; and because they are lazy and slackers and will not work, I propose to put dollars in circulation that I know will work, for they have worked for 150 years.

Mr. O'MAHONEY. That is exactly the point. Will they work if they are not kept in circulation?

Mr. THOMAS of Oklahoma. I am trying to provide in the amendment that they must be kept in circulation.

Mr. O'MAHONEY. How does the amendment propose that they shall be kept in circulation?

Mr. THOMAS of Oklahoma. The Senator is confused, in my judgment, between money in circulation and money in the banks.

Mr. O'MAHONEY. No; not at all.

Mr. THOMAS of Oklahoma. He is going to say in a moment that if we put this money in circulation it will gradually go back into the banks. That is true; and that is where money should be, in the banks; but it will be in the name of some person; it will be in the banks in such a way that somebody will be able to get it; it will raise the price level and people who are producing may go to the banks and borrow some of that money.

Mr. O'MAHONEY. Perhaps half an hour ago the Senator said that the banks were hiding the silver currency, that the banks were not desiring to use it.

Mr. THOMAS of Oklahoma. The Federal Reserve banks, the Federal Reserve agent, not the ordinary banks of the country, not the national banks, not the State banks, not the private banks. I made specific reference to the Federal Reserve banks, 12 of them, and 12 Federal Reserve agents. That is where this sort of money is; it is not in the banks; it is in the Federal Reserve banks and in the hands of the Federal Reserve agents, and money in their hands is not in circulation. Of course, this money in the national banks and State banks and private banks would be in circulation; that is where I want it; and if the bankers had it they would feel mighty good at night when they went to sleep if they knew that somebody would want to borrow all the money in their vaults. They would be glad to lend it, in my judgment.

Mr. O'MAHONEY. Actual circulation depends, does it not, upon business and the turn-over of the dollar?

Mr. THOMAS of Oklahoma. Exactly; but the Senator was not here a while ago when I took some little time to explain one specific instance.

Mr. O'MAHONEY. I have been here most of the time.

Mr. THOMAS of Oklahoma. The Senator did not hear my explanation about hogs and cattle and price levels?

Mr. O'MAHONEY. Yes; and I heard a good deal of misinformation given out, though not by the Senator, with respect to the killing of cattle.

Mr. THOMAS of Oklahoma. They were killed in my State.

Mr. O'MAHONEY. But not for the purpose of creating a scarcity.

Mr. THOMAS of Oklahoma. No; they were dying for the want of food.

Mr. O'MAHONEY. That is a very different thing; that is beside the point.

Mr. THOMAS of Oklahoma. The farmers could not afford to lose them, and the farmers could not afford to buy feed; they could not ship them any place—they were too poor; so this great, generous, munificent Government, realizing the condition, acted humanely and killed the starving beasts, in my State going out in the fields to relieve them of their misery.

Mr. O'MAHONEY. My fundamental question is, How does the Senator propose by his amendment to keep these dollars working?

Mr. THOMAS of Oklahoma. The Senator has not listened to my argument, or else I have failed to make myself clear. It is my conviction that if we will place real money in circulation money will be plentiful; when money becomes plentiful, money becomes cheap; when it becomes cheap, prices go up; when prices go up, there will be a profit in production; and those who produce will go to the banks and borrow. They will then want to borrow in order to produce. By putting money in circulation and making money cheaper, the banks will be willing to lend money; they will begin to expand their deposit accounts, and the people will be able again to get loans. That may not be very clear; but if that will not work, nothing will work. Take, for example, livestock and hogs. To the extent that banks in my State can make loans on hogs and other livestock their bank deposits are expanded. When the bank in Kansas City made a hundred-thousand-dollar loan to Kansas people with which to buy steers in Texas, the deposits of that bank jumped up a hundred thousand dollars the moment the loan was placed upon its books; and if all the other banks make loans on livestock, cattle, and hogs, their bank deposits will expand, money will go into circulation, people will begin to make money, and the depression will be over.

How else is it going to be done except to follow this program? We have tried everything else. We have tried the policy of curtailing production. We have tried everything we can think of, but we have not tried money. We enacted a law, but for some reason it has not been enforced. The policy of the past 2 years has been one of deflation. We have less money in circulation now than on the 1st of January—\$81,000,000 less. We have almost \$1,000,000,000 less money in circulation than we had when the present administration was inaugurated. The simple act of the President in cutting 40 percent of the gold dollar was to reduce by \$16,000,000,000 the buying power of those who had money in the banks. There was \$40,000,000,000 in the banks. He reduced the purchasing power by 40 percent, which was \$16,000,000,000. He did not give it back to anybody. He destroyed it. The money would buy \$16,000,000,000 less when the President got through operating on it than it would have bought before. It would buy less of wheat, it would buy less of corn, it would buy less of everything. The policy for the past 2 years has been one of deflation. I have protested against it, but my protests have been in vain.

Mr. President, proceeding with the discussion of the amendment, the second paragraph provides for the Treasury Department going into the open market and buying silver to the amount of 50,000,000 ounces a month and paying for that silver with paper that costs us nothing. Then, against the silver shall be issued certificates to the full value of 129 cents an ounce. In that way we will issue money and place it in circulation to the extent of the silver we buy, and that will amount to \$64,000,000 a month. Senators may figure for

themselves how much the currency will have expanded at the end of a year.

All that time we are simply trading paper for silver. We keep on buying silver until we have 25 percent of the monetary stock, which means 2,000,000,000 ounces, or until the price of silver reaches 129 cents an ounce. When that occurs, the amendment provides that we shall open a mint, but not for free coinage. The silver itself need not necessarily be in circulation. Why have millions of dollars of silver coined at the Treasury? There is no occasion to coin any more silver dollars. Let us open the mints to the free acceptance of silver. Let the world bring its silver here. We will give 129 cents an ounce in paper for it. By opening the mints we stabilize the value of silver at 129 cents an ounce.

Someone might say that would put the United States on a silver standard or a silver basis. We were on that basis for many years. More than one-half the population of the world exists on a silver basis. Today about the only nations in the world that are having any prosperity worthy of mention are the nations which are on a silver basis, which use silver for money.

After we get silver to \$1.29 an ounce, and have placed about \$1,500,000,000 in circulation, we will open the mints and accept silver. The more we get the more money we will place in circulation. As a matter of fact, we will not get very much silver.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from Oklahoma yield to the Senator from North Carolina?

Mr. THOMAS of Oklahoma. I yield.

Mr. BAILEY. I do not like to interrupt the Senator, but I do wish to get the matter clear in my mind. I understood the Senator to say that he would pay for the silver with paper?

Mr. THOMAS of Oklahoma. I said we would exchange paper for it, but if anybody wants silver after it becomes worth a dollar we will give him silver.

Mr. BAILEY. If we should buy it from abroad, we would have to pay for it with gold.

Mr. THOMAS of Oklahoma. Not necessarily, because the price of silver throughout the world would be \$1.29 an ounce in gold.

Mr. BAILEY. The settlement between nations is still made in gold.

Mr. THOMAS of Oklahoma. Not necessarily.

Mr. BAILEY. Not necessarily, but habitually.

Mr. THOMAS of Oklahoma. No; not necessarily. We deal with the gold-block countries on the basis of gold, and we deal with the silver-block countries on the basis of silver, or we will sometime when we learn enough.

Mr. BAILEY. But we do not do so now.

Mr. THOMAS of Oklahoma. The Senator is correct.

Mr. BAILEY. I am glad the Senator knows that to be true.

Mr. THOMAS of Oklahoma. If silver were worth \$1.29 an ounce we would not do any business with the people of India with gold but with silver, and therefore no gold would be transferred.

Mr. BAILEY. We would then be in the position of paying for the foreign silver in gold and not in paper.

I wish to ask the Senator from Oklahoma another question. He proposes to get us out of the depression by cheapening the money. He wants to cheapen the money.

Mr. THOMAS of Oklahoma. At higher prices.

Mr. BAILEY. How do we cheapen money by increasing the price of silver?

Mr. THOMAS of Oklahoma. I tried to answer that question last year. The Senator has been losing sleep for 365 nights and days because he did not understand the necessity. How in Germany have they cheapened the mark without increasing the price of gold? At one time in Germany it took a trillion marks to get a silver dollar. How did Germany cheapen the mark by increasing the price of gold?

Mr. BAILEY. If the Senator asks me I will tell him how Germany cheapened the mark. It got some printing presses

and printed billions of marks a day. I do not believe the Senator from Oklahoma contemplates anything like that; but does he contemplate lifting the price of silver by way of cheapening the money and lifting it to the gold price? I should like to have that made clear. I have lost some sleep over it.

Mr. THOMAS of Oklahoma. I realize that. The Senator evidently desires to open the printing presses for the printing of tax-bearing bonds. For 5 or 6 years we have had the Bureau of Engraving and Printing running day and night, printing United States bonds and Treasury notes, interest-bearing, and to this good hour we have an almost endless inflation of interest-bearing bonds. Every year the printing presses are running longer day and night. The more bonds we vote, the more bonds must be printed by the Bureau of Engraving and Printing. The Governor of the Federal Reserve Board said it is cheaper to print bonds than it is to print money. The money wears out. The bonds are stored away.

We might earmark a part of this money and provide for the construction of new bureaus of engraving and printing, tripling or quadrupling the size of the present one. Year after year we are being forced to take more interest-bearing bonds because they are cheaper. They do not wear out. The money wears out. It has to be replaced.

I am in favor, through the use of silver and silver certificates, non-interest-bearing, of getting rid of the interest we are paying on so many bonds. The policy now being pursued is leading, as certainly as this day is leading into night, to uncontrolled inflation of printing-press money. We have uncontrolled issuance of interest-bearing bonds now.

We cannot avoid passing this joint resolution. It must pass. Nobody here is against it, practically speaking. There will be some votes against it, but various reasons will determine the votes of Senators who will oppose it. They are all for the joint resolution, and the moment the joint resolution shall have been passed they will all be for their part of the money, and they will all get it. The money will be equitably distributed, and it should be; but the policy we are now pursuing is that of uncontrolled bonds today, inflation of bonds, uncontrolled and uncontrollable save through the issuance of money.

Suppose we do not put any more money in circulation, and keep on issuing bonds. The bonds today in the banks of the country total fifteen and one-half billion dollars, and the banks have only 17 billions in demand deposits. There is only a billion and a half leeway between the amount of bonds the banks have and the amount of their demand deposits. They cannot keep on buying bonds, and when the time comes that the banks cannot buy any more bonds, or refuse to buy any more bonds, the banks begin to sell, because they know the thin ice they are standing upon. When a few bankers become scared and begin to sell their bonds to preserve their banks, knowing that if the bonds fall in price their banks are "broke", other bankers begin to sell. Who will buy? There is nobody to buy but other banks; and in a few hours, perhaps, the grapevine rumor goes about, "Banks selling bonds", and bonds keep on going down. What do I do as a banker? I commence selling my bonds; all the banks begin to sell, and there is your crash. A 10-point drop occurs, and the banks are all closed. Forty billion dollars of deposit money continues to be frozen—all the money there is in the banks. No one can get a dollar. It does not exist; and there is only a little pocket change in the people's pockets, three or four billion dollars. That is all the money we have. The Government has nothing. It must pay its expenses.

Senators, do you know that today we are borrowing money to pay the interest on our national debt? We are borrowing money to pay the salaries of the Senators here. I have always looked upon the Senate as a historic body—the Senate of Clay and Webster and Calhoun and all down the line—but, Mr. President, the Members of the Senate today are just about as much on relief as the individuals who are on relief out in my State in Oklahoma. To my certain knowledge, if some Senators here should lose their salaries, God

only knows what would happen to them. So, while we think we have great positions, we ourselves are borrowing money to pay our own salaries. We are borrowing money to pay the interest on the national debt, because there is not enough real money in all the banks of America to pay the interest on the national debt for a single 12-month period.

Mr. NORRIS. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. I desire to ask the Senator a question on another subject than the one he is discussing. I will not ask it now unless the Senator has finished discussing the point he has been making. I refer to page 2 of his amendment, the proviso beginning on line 15, reading as follows:

Provided, That such purchases of silver shall continue until the proportion of silver to gold in the monetary stocks of the United States shall equal one-fourth of the monetary value of such stocks, or until the price of silver in the world markets, based upon international exchange, shall reach the value of \$1.29 per fine ounce, whereupon such purchases shall cease.

As I understand, if this amendment should become law it would be the duty of the Secretary of the Treasury to purchase silver at the rate of 50,000,000 ounces per month, and to continue such purchases until one or both of two things should happen. The second one is:

Or until the price of silver in the world markets shall reach \$1.29 per fine ounce.

I can understand that perfectly well, I think; but the other reason which would be sufficient to have the Secretary stop the purchases I do not understand from this language. The language says that such purchases of silver shall continue—

Until the proportion of silver to gold in the monetary stocks of the United States shall equal one-fourth of the monetary value of such stocks.

I should like to have the Senator explain that language.

Mr. THOMAS of Oklahoma. The first section of the silver act passed last year provides that in our monetary stocks we shall have 75 percent in gold and 25 percent in silver. That means that our monetary stocks at any time will be 100 percent when the law is carried out. Of the 100 percent, 75 percent will be in gold and 25 percent will be in silver.

At the time of the passage of that bill we did not have nearly the 25 percent of silver. Of course, we had the 75 percent of gold, because that is the larger quantity; and, whatever the gold quantity is, it does not make any difference, because that would govern the number of ounces of silver. So when the bill was passed it became necessary for the Treasury Department to enter the markets of the world, or wherever they could get silver, and buy over 1,000,000,000 ounces of silver. We were that much shy of having enough silver, valued at its monetary value, to equal 25 percent of the total 100 percent of monetary stocks. That was the provision of the silver act. That was the standard. So the Treasury Department was given the task of going into the markets of the world to acquire the amount of silver which, at its monetary value, would equal 25 percent of the total; and the 75 percent measured in gold would furnish the other part.

Mr. NORRIS. The Senator's idea, then, is not to go beyond the condition already fixed?

Mr. THOMAS of Oklahoma. Not to go beyond the condition already fixed; exactly so. We have set the policy, and I propose to carry it out in this amendment.

It is my firm conviction that we shall never get the billion ounces of silver. We have taken all the silver in America; we have searched the world; we have raised the price until it is now 57 or 58 cents an ounce, and we have gotten only about 400,000,000 ounces of silver. We have a billion ounces yet to buy, because our gold stock has increased. When this bill was passed last year we had only \$7,000,000,000 worth of gold, but now we have eight and a half billion dollars' worth. We are buying silver hardly fast enough to keep up with the increase in our 75-percent gold stock. In other words, we are getting gold faster than we are getting silver.

It is my conviction that we shall never get the 25 percent of silver. We have to buy a billion ounces, and we cannot get it. India will not sell us her silver; China will not sell us her silver, in any appreciable quantities. The other nations have only a little silver. They will not be willing to send it to us. Some countries are now placing embargoes on it. It is my belief, therefore, that we shall never, perhaps, get the 25 percent of silver, but it is my hope that we shall get silver up to \$1.29 an ounce; and then we can issue paper money against all this silver, and the silver bullion back of these silver certificates will be worth a dollar anywhere in the world. Then we can make silver basic, standard, substantive money—the good money it was for a hundred years in this Republic. It has not been that since 1873.

Mr. FLETCHER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. FLETCHER. I understand that the Treasury has been acquiring, and is now acquiring, an average of 50,000,000 ounces of silver per month.

Mr. THOMAS of Oklahoma. Then, there will be no harm in including this amendment in the joint resolution. I did not have that information until this moment, Mr. President.

Mr. NORRIS. Mr. President, will the Senator from Oklahoma permit me to ask him another question on a different branch of his amendment?

Mr. THOMAS of Oklahoma. Yes.

Mr. NORRIS. The Senator's amendment provides that if the price of silver in the world markets reaches \$1.29 per ounce, then the mint shall be "opened to the free acceptance of silver"?

Mr. THOMAS of Oklahoma. I used the word "acceptance" instead of "coinage" because I do not desire to have any more silver dollars coined. It is not necessary.

Mr. NORRIS. But for that silver accepted by the mint there are to be silver certificates issued, are there not, as provided for in the amendment at the top of page 3?

Mr. THOMAS of Oklahoma. Yes.

Mr. NORRIS. If that condition should arise, and the price of silver should be brought up to \$1.29 an ounce, and we should then be obligated to accept at that price as much of it as came in, I am wondering whether there would be any danger then of an unreasonable inflation of the currency.

Mr. THOMAS of Oklahoma. Mr. President, if we should get the billion ounces of silver, it would result in an increase of the circulation of only a billion and a half dollars. We have lost almost that much since Mr. Roosevelt became President. It would only be restoring the circulation we have lost in the last 2 years, and that could not be harmful. This is a sane, reasonable, conservative, controlled method of expanding our currency to the extent of about a billion and a half dollars. It could not go further, because we could not get more than a billion ounces of silver.

Mr. BORAH. Mr. President, is it not a fair interpretation of the amendment to say that it makes mandatory what we undertook to do last year?

Mr. THOMAS of Oklahoma. Exactly so; that is all the amendment seeks to do, to carry out the policy we thought we were prescribing and providing last year, and to carry out the policy as to which certain promises were made, which I attributed to be the identical thing which the amendment seeks to have done.

Let me proceed, if I may, and I will conclude this in just a moment. The amendment provides that in order to use our silver and in order to use some of our gold in such a way that we can get it into circulation, the Secretary of the Treasury may trade gold for silver bullion.

The amendment was offered several weeks ago, and it was sent immediately to the high authorities. I have no reply and no reaction. I do not know what they think about it, but I noticed a few days ago that the Secretary of the Treasury announced that he had made a trade with Mexico of some gold for silver.

I approve of that policy, for the reason that the gold is doing us no good. Mexico wants gold, and they have silver,

and we can trade gold for silver. Then when we get the silver we can issue paper money against it and put that paper money into circulation. So this proposal, in effect, will afford a means of issuing money against gold. Does not the Senator agree to that?

Mr. NORRIS. Mr. President, if the Senator asks me the question, I will say that I have some doubt on that matter. I want to ask the Senator a question about it.

I have the same information which the Senator has about getting silver for gold. My information is that gold still remains in this country, and is earmarked. I could not quite get a clear idea as to just what had happened, because the statement, as printed in the press, was to the effect that the gold would not be taken from this country, that Mexico would get certificates for it. I could not quite see what good the certificates would do, when they could not under any circumstances get the gold by surrendering the certificates.

Mr. THOMAS of Oklahoma. This is what it means, if I interpret it correctly. The Secretary of the Treasury has traded Mexico 32,000 ounces of gold for some silver. It is true the gold is the property of Mexico. Mexico does not choose to take the gold out of this country, however, because they need it here as a basis of credit, since we do business back and forth with Mexico. So Mexico was agreeable to having the gold sent to the New York Federal Reserve Bank, and have it earmarked, have it tagged, as the property of Mexico.

Mexico, in exchange for that courtesy, if it may be so called, delivered to us a certain number of ounces of silver, which comes to the United States and goes to the mint, and, under the policy we are pursuing, the Treasury would issue certificates against the silver received to the value of the silver, based upon its current market price.

I am insisting that not only should they issue certificates against the silver at its current market value, but at its monetary value of \$1.29 an ounce. But, in either event, this policy provides a plan for converting gold into silver certificates.

Mr. NORRIS. Mr. President, I think that is true, but the Senator in his explanation has not given any additional information or light I did not have before regarding the trade the Government has made with Mexico of gold for silver. If Mexico traded silver for gold and we got the silver and issued silver certificates and they went into circulation, and Mexico deposited gold in the Federal Reserve Bank of New York, which is earmarked, how can Mexico ever carry out the contract if she is prohibited from getting the gold?

Mr. THOMAS of Oklahoma. I would suggest that that is Mexico's problem, rather than ours.

Mr. NORRIS. I know it is Mexico's problem, but I was wondering whether there are people in Mexico so unwise as to say, "We will give you this silver for so much gold and you can do what you please with the silver, and you can also keep the gold."

Mr. THOMAS of Oklahoma. Let me suggest that Mexico needs no defense at my hands, because in Mexico at this good hour the peon Mexicans are prosperous, and just across the Rio Grande the Mexican cotton planters tonight are getting 45 cents a pound for their cotton, while the planters in the South of the United States are getting 10 cents a pound for their cotton.

Mr. NORRIS. I mean to cast no reflection on Mexico, but I am wondering whether Mexico, being as wise as I think she is—

Mr. THOMAS of Oklahoma. The Mexicans are wise.

Mr. NORRIS. Whether they made such a contract, to trade silver for gold, and let us have both the gold and the silver.

Mr. THOMAS of Oklahoma. Mr. President, Mexico buys a vast quantity of goods from the United States. She has to pay us in gold for those goods. Every nation that buys goods from the United States pays us in gold, or the equivalent of gold. Under our deflation policy they can buy a paper dollar for 60 cents in gold, under the old valuation, but in order to pay us they must pay us in either paper dollars the

equivalent of gold, or gold itself. Mexico, doing a large business with the United States, must pay us in gold, and in time we will get all the gold back.

Mr. NORRIS. Suppose we have made this deal as the newspapers have suggested, and I am a business man in the United States doing business with Mexico, and Mexico, in payment for goods I have shipped to Mexico, gives me an order on the Federal Reserve Bank of New York for as much of that gold as represents the contract price for the goods I have sold. Could I get it?

Mr. THOMAS of Oklahoma. No; the Senator could not get it but the Mexican Government or whoever was dealing with the Senator, would provide him some sort of exchange that would be convertible into good American dollars, and he would get good dollars. The exact modus operandi by which the transaction would be conducted I do not know, but I see in this proposition a plain, simple trade to the benefit of Mexico and to the benefit of the United States, and I quite approve of it.

There is a provision section of the amendment which authorizes the Secretary of the Treasury to trade gold for silver. The last provision is that the Secretary may accept silver in the settlement of international balances. If Mexico owes the United States today she has to pay in gold or the equivalent of gold. Under this provision the Secretary could accept silver at an agreed price in adjusting the international balance. We could accept silver from China, silver from Japan, silver from Germany, silver from the world, and thereby more quickly acquire the required 25 per cent of our monetary silver stock.

Against every ounce of silver we might get from the world we could issue silver certificates at \$1.29 the moment it reaches the United States, and do two things, make a profit on the trade, and get more money into circulation.

Where is there anyone who can criticize the provisions of this amendment? A kindergarten class could understand it. The only trouble is Senators will not stay here and listen. I have no right to complain; they are busy, but some will not be so busy after the next election.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. FLETCHER. Referring to what was discussed a few moments ago when there was mention of some danger of the banks which hold Government obligations beginning to sell them, and the statement that that eventually might create considerable disturbance, I wish to state that in my judgment is not going to happen.

Mr. THOMAS of Oklahoma. I hope it will not happen.

Mr. FLETCHER. In the first place, so long as excess reserves are here, there will be no practical need of large-scale liquidation. In the second place, lacking a substantial demand from business, the banks would find it extremely difficult to show any net profits without the income now derived from Government obligations. What is equally or even more compelling, the banks as a whole could dispose of Government securities on a large scale only by accepting a large capital loss, and they are not likely to do that.

In the next place, they would not be tempted to do it because they do not need to do it. Finally, since the bulk of these holdings are of short-time maturity, the banks would be under no pressure to liquidate. I desired to mention that in connection with the suggestion which was made.

Mr. THOMAS of Oklahoma. I am glad to have the suggestion from the distinguished Chairman of the Committee on Banking and Currency.

Let me now call attention to one other consideration, and that is the burden being placed on the rising generation. Have Senators any conception of the load of debt the older generation has piled up for the youth of the land to assume?

Mr. BAILEY. Mr. President, before the Senator enters upon that branch of his discussion I should like to ask him a question. The Senator made some remarks just now which struck me with a very great deal of force, and I should like to have the Senator answer with respect to that point before he proceeds to another phase of his subject.

As I understood the Senator, he stated that we are now in the process of an uncontrolled inflation of the debt structure of the country. I gathered that he meant that we appropriated \$3,300,000,000 a few months ago, and we propose now in a secondary movement to appropriate \$4,800,000,000. Is it in the Senator's mind that that is in the process of one movement, predicating another and a larger movement, and that this time next year we will be called upon for \$6,000,000,000 more if we continue this process?

Mr. THOMAS of Oklahoma. Exactly so, unless the Congress of the United States shall take action. The House of Representatives, at the other end of the Capitol, is on the job. Only yesterday and today the House has acted in harmony with what I think should be done; but it cannot be done unless the Senate gives the people some tools with which to make some money to pay their taxes, their interest, and their debts.

We have, by appropriations, increased the national debt from \$16,000,000,000 to \$30,000,000,000, and at the end of next year it will be \$35,000,000,000. Yet the people have been prevented from making any money to pay this obligation. They do not have the money; they cannot get it; they cannot borrow it, because the Congress has not provided it for them. The bank money is frozen. Actual money is taken out of circulation.

Mr. BAILEY. I should like to have the Senator expand upon these facts just to the extent of comparing our process with the process which began with the French Revolution and wound up with the end of the French Revolution.

Mr. THOMAS of Oklahoma. Mr. President, I am glad the Senator brought up that question. The Senator is going to suggest in a moment that I am in favor of a John Law south sea bubble. The Senator must be in favor of the present bubble we have. Some day that bubble will burst.

Mr. BAILEY. Mr. President, let me explain to the Senator that I am not disposed to controvert his statement. I wish to get his very valuable ideas.

Mr. THOMAS of Oklahoma. I shall be glad to answer the Senator.

Mr. BAILEY. Let me make my question clear to the Senator. In the time of the French Revolution, the issuing of money began with the issuing of a credit currency.

Mr. THOMAS of Oklahoma. I realize that.

Mr. BAILEY. All those responsible pledged that they would never do it again. But that credit currency called very shortly for a larger issue, and they gave the pledge the second time, and all said "We will never do it again." But the demand came even more rapidly for the third issue and in greater intensity than for the first issue. The leaders who had pledged that they would never do it again refused, and new men were put in their place who would, and the process went on until the entire monetary structure was destroyed. What I wish to know is whether the Senator thinks we are now in that process. I am not controverting the Senator's argument. I merely wish to get some light on the subject.

Mr. THOMAS of Oklahoma. Mr. President, in the French situation they were badly in need of money. They did not have the gold against which to issue money. They had no silver. A bright financier by the name of John Law devised a scheme of taking over the church property which had formerly been confiscated. About one-third of the finest land in France belonged to the church. Fine structures in cities, as well as fine farms, belonged to the church. The government confiscated the church property and commenced issuing assignats against it.

The country rebounded and came out of the depression. But no provision for the redemption of the assignats was made, for some reason or other. As the Senator said, they issued more assignats, still more assignats, and still more assignats, which finally became worthless, and the bubble burst.

Mr. BAILEY. Then they issued mandates.

Mr. THOMAS of Oklahoma. Yes. The bubble burst. The Senator would imply that if we should start on a reasonably conservative basis to issue money with a dollar's worth of gold and a dollar's worth of silver back of every dollar, we would be starting on a dangerous program.

Mr. BAILEY. Mr. President, I wish the Senator to know that I did not intend any such implication.

Mr. THOMAS of Oklahoma. Then, I withdraw my statement.

Mr. BAILEY. Here is the point, and I am going to make it so plain there can be no question about it. In view of what the Senator has said, I wonder if we are not unknowingly in just the process of which I have spoken. He suggested that to my mind.

The rulers of France, during the revolution, Mirabeau and his associates, were as thoroughly unaware of the implications of their actions concerning the assignats as perhaps we are today. That was my suggestion. I am just wondering if our incessant and increasing movement of credit inflation by the Government is not predicating precisely a series of steps having consequences all too much in analogy with those consequences which we have since so feared and dreaded.

Mr. THOMAS of Oklahoma. Mr. President, the Senator is exactly right from my viewpoint. We are following the French system, excepting they issued paper money. We are issuing bonds, and confidence bonds at that!

Mr. BAILEY. The French paper money was value money in the sense that it was secured by lands.

Mr. THOMAS of Oklahoma. That is correct. Our bonds are secured by all the property in the United States; but how are we going to pay them? In France they could not pay their money in lands. No one could go and redeem an assignat with a parcel of land or with a church or with a piece of town property. The assignats, while good, could not be redeemed. All the bonds we have out today, \$30,000,000,000 of them, are based upon all the property in America, but if the credit of the Government falls how can the bondholders get any of this land? How can they get any part of the cities?

Mr. BAILEY. If its credit falls, then it is up to us to issue some paper money, is it not?

Mr. THOMAS of Oklahoma. That is the point.

Mr. BAILEY. Is that not the effect of it?

Mr. THOMAS of Oklahoma. I am trying to get some money in circulation to prevent the necessity of doing the thing the Senator suggests.

Mr. BAILEY. For the purpose of the present movement, if the Government's credit fails under these circumstances, then the printing presses begin. Is that not correct?

Mr. THOMAS of Oklahoma. Exactly so; and I have tried to state it on the floor. If the credit bubble bursts, then what? The printing presses will be started. Then they will run day and night, printing dollars by the thousands, by the millions, by the billions, and perhaps by the trillions, and we may see it in this country. We may see the time when it will take a trillion dollars to get one measly gold dollar in value. I hope that time will not come. But the tendency of this hour leads to that inevitable end, I fear.

Mr. President, I was calling attention to the youngsters of the United States. They are going to take charge of this Government some of these days. Do Senators have any conception of what kind of a burden the previous Congress and this Congress have unloaded on the rising generation, the boys and girls now coming into maturity? Let me state it.

The annual tax bill today is \$15,000,000,000. The annual interest bill is \$10,000,000,000. The total debt amounts to \$250,000,000,000 at least. That is the most conservative figure I can find. It runs from that to \$500,000,000,000. These youngsters look forward to 30 years of active life. Let us make the calculation on the basis of 30 years' time.

Every boy and girl coming to manhood and womanhood must earn and do his part or her part to raise \$15,000,000,000 a year to pay taxes on the average, and must do his part or her part to pay \$10,000,000,000 a year interest. Multiply \$15,000,000,000 annual tax for 30 years, and it will be found that they must pay \$450,000,000,000 in 30 years in order to meet the fixed tax load that is upon their backs. Then they must earn 30 times \$10,000,000,000, or \$300,000,000,000 in order to pay the interest bill in 30 years' time. Then the debts themselves must be paid.

I am proceeding on the theory that the taxes will not increase, the interest will not increase, and the debts will not increase. There will be \$450,000,000,000 in the next 30 years for taxes, \$300,000,000,000 in the next 30 years for interest, and then the debts themselves of \$250,000,000,000. That makes one thousand billion dollars, one trillion dollars, to saddle upon the youth of the United States. That has to be paid in 30 years.

Do Senators think these youngsters, when they come to realize what they are up against, would act like the Senate is acting—giving no attention at all to our economic debt structure, make no provision for putting tools in the hands of those youngsters so that they may make some money with which to meet their obligations? I do not think we can look forward to that sort of action at the hands of the rising generation. I am trying to prevent it.

There is only one way in which it can be done, and that is to make it possible for the people to make some money. I am for the profit system. The plan we are following today is leading to communism just as fast as the human mind can run. Does anybody doubt that statement? I am against communism. I am against fascism. They are just the same. There is no distinction between the Russian system of government and the Italian system of government except procedure. In Italy the people think they own the property. They work it and call it their own, but at the end of the year they are allowed only enough to live on, and the balance goes to pay taxes. In Russia nobody presumes to own any property. It belongs to the state, and they work for the state. In Italy everybody works for Italy. In Russia everybody works for Russia. There are two systems with the same end. We are running just as fast as we can to that point.

If we get a vast majority of the people of the United States to the point where they lose their farms, lose their business, lose hope, lose their ambition, where a man sees no chance ever to acquire anything again, no chance for his children, then there is a fertile field for the seeds of communism.

All that would be necessary to do would be to suggest to such a man that, under a system which you might provide, he would have just as much of this world's goods in the United States as any other man in the United States; he would have a place to live; he would have clothing; he would have food. Does anyone think that would not appeal to the man who had lost his all, who has lost hope, who has lost ambition?

If the present trend continues and the vast majority of our people get in that condition I fear for what may happen. I am trying to prevent this. I may be wrong. So many people disagree with me that oftentimes I think I am wrong. Yet after I have studied the matter further, my ideas come back to me, and I cannot get rid of them. We have not tried to put money in circulation. Just the suggestion that we are going to put money in circulation causes the complexion of the United States to change in a moment.

The other day at the White House the President made the statement that prices were too low and should be higher. That mere suggestion of the prospect of higher prices caused the market to rise. If the mere suggestion of more money, the mere suggestion of higher prices, gives the people a new outlook upon life, what would the reality do? I should like to try it. We have tried everything else. We have tried the N. R. A. and the A. A. A. and almost every other combination of the alphabet we can devise, but we have not tried money. Instead of putting more money in circulation we are taking money out of circulation from day to day. We had less money in circulation last week by \$81,000,000 than we had in circulation on the first of last January. We had in circulation last week \$1,000,000,000 less than was in circulation at the time Roosevelt became President.

That is not the worst of it. We had \$40,000,000,000 in the banks. President Roosevelt reduced the value of the dollar by 40 percent and when he did that he reduced by \$16,000,000,000 the buying power of that \$40,000,000,000. After he did that the folks who had deposits in the bank could buy only 40 percent of what they could buy before. That was deflationary. It was the killing or destruction of money.

What he should have done, in my judgment, was to take some of the value which he took out of that money and put it back in circulation. I think that would have done the job.

I have a goal, and that is the 1926 price level. I am not willing to go beyond that. I do not think that is low enough; but we must go to the 1926 level before we can go beyond. I am trying to bring back the 1926 level of the dollar as measured by the best yardstick we can devise. That was a good dollar back in 1926—the Coolidge dollar. It was the best money in the world. Today we have a dollar that is much higher in value than that dollar. The dollar we have today, although we have operated on it, still has a buying power of 25.9 cents more than the Coolidge dollar of 1926. All I am asking is to take out of this dollar that excess buying power.

Mr. President, it is my profound conviction that this excess value in the dollar is nothing more nor less than a subsidy. A subsidy to whom? It is a subsidy to those who receive the dollar. It is a subsidy, it is true, to the bondholders, because every bondholder, when he collects his interest or his principal, gets not only a dollar in value but gets \$1.259 in value. There is the subsidy which the bondholder gets when he collects his bonds or his interest. It is a subsidy which the mortgage holder or note holder gets when he collects his note. If it is a subsidy to the bondholder, a subsidy to the mortgage holder, and a subsidy to the salaried man, it is true, then, it must be a penalty upon somebody. Upon whom is it a penalty? It is a penalty upon the poor people who have to get those dollars by the sweat of their brows.

I make the positive statement here and now that the United States Senate for years has been responsible for its share of the responsibility or the damage of providing a subsidy in behalf of the bondholders, the mortgage holders, the creditor class of the United States. But that is not all. The United States Senate, being one-half of the lawmaking body of the United States, is responsible for its share in penalizing the debtor class to that same extent. In other words, today the debtor has to give up value to the extent of \$1.259 to get a dollar to pay his interest, to pay his mortgage, to pay his bonds.

How does that affect my State? My State pays \$100,000,000 in income taxes each year. In order to get \$100,000,000, the people of my State must raise corn and cotton and broom-corn and produce oil, and hogs and cattle, not to the value of \$100,000,000, but to the value of \$125,000,000, and separate themselves from the value of \$125,000,000 to get \$100,000,000 to pay their income taxes, their Federal taxes—a subsidy in favor of someone that we owe, a penalty upon the helpless folks in the State of Oklahoma who cannot speak.

That is not all. When they go to pay their taxes, they cannot pay their taxes with 100 cents of value. They must raise corn and wheat and the things we produce in our State and give up, of those products, value to the extent of 125 cents to get a dollar to pay their taxes, to pay their interest, to pay their debts. That is a direct subsidy, if I understand a subsidy, and it is a penalty. I am trying to repeal the subsidy and I am trying to repeal the penalty upon 125,000,000 defenseless people who cannot speak and cannot act, and who must look to their Senators and their Representatives, because under the Constitution, Congress and Congress alone, has the power to coin money and to regulate its value. The value of this dollar is due entirely to either the activity or the lack of activity of the only power under our Constitution that should regulate it.

Mr. President, I may be interrogated as to what I propose to do to cheapen the dollar, to take out this excess value, to get rid of this subsidy, to stop this penalty upon the debtor class of the Nation.

Mr. NORRIS. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. A short time ago the Senator referred to the profit made out of the gold transaction, and stated that it was not properly utilized. In what way would the Senator have utilized the gold profit?

Mr. THOMAS of Oklahoma. Mr. President, that is a matter which I perhaps am not competent to pass upon, but

I will give the Senator my views. My views are expressed in a bill which is pending before the committee; and my views are these:

I would first get this 25 percent of silver, or as much as I can of it. Then we would have our gold and silver in our strong box. We would probably have eight and a half billion dollars in gold and 2,000,000,000 ounces of silver, which would be worth two and a half billion dollars in money. That would make about \$11,000,000,000 of gold and silver. That would be in our strong box. I would not propose to coin any more gold dollars or put any gold dollars in circulation. I would not coin any more silver. We have plenty of silver coin. We have \$300,000,000 in subsidiary coins. We might have to coin some more halves, quarters, and dimes; but, having half a billion dollars in coined silver, there is no occasion to coin any more until that is put in circulation and we need some more, and I do not see any likelihood of that need. So when that program is completed, we would have about eleven billions of gold and silver in our strong box.

Then I would call in all outstanding forms of paper money. I would call in all the silver certificates. The gold certificates have already been called in. I would call in all Federal Reserve notes, Federal Reserve bank notes, and Treasury notes, and issue one kind of paper money against this block or volume or mass of value represented by gold and silver.

I should not be particular as to the form of that paper money. I should just as soon have Treasury notes in circulation as any other kind of money. I do not care what it might be called. I should just as soon have Federal Reserve notes in circulation against this mass of gold and silver as any other kind of money. I care nothing for the kind of money that is issued against this mass of gold and silver.

Mr. NORRIS. The effect of what the Senator proposes would be to put into circulation money of some kind—probably it would be paper money—which would represent the profit that we made on the gold process?

Mr. THOMAS of Oklahoma. Yes, Mr. President. If this gold should all be impounded in our Federal Treasury, as I stated, we should have, at the present time, eight and a half billion dollars. We could issue paper money against this gold and silver to the full extent of the value of the gold and silver, and yet every paper dollar would be worth 100 cents in gold and silver.

Mr. NORRIS. Exactly; but I am speaking particularly of the block of gold that we have made by way of profit out of this gold transaction. What is now being done in regard to that?

Mr. THOMAS of Oklahoma. Mr. President, the Treasury officials have some plan whereby this gold is allocated. Theoretically, a part of this gold is back of Federal Reserve notes outstanding, and theoretically a part of this gold is back of Treasury notes outstanding—theoretically; not practically. Individuals cannot get the gold, but it is held there on the Treasury officials' law and theory that it must be kept there to preserve the status quo.

Mr. NORRIS. If money were issued for that gold, that would increase the circulation by the amount of the entire profit that was made on the gold transaction; would it not?

Mr. THOMAS of Oklahoma. Oh, absolutely! We could today issue \$4,000,000,000 of new paper money against the gold and silver that we have, and still not have as much paper money in circulation as we have gold and silver. We could call in tomorrow all the paper money outstanding in America and redeem it with gold, and when it was all redeemed we should have four billions of gold and silver left against which there would be no paper money outstanding. Yet because some of us want to put a little more money in circulation it is said that we are "wild-eyed inflationists."

Mr. SHIPSTEAD. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Minnesota.

Mr. SHIPSTEAD. The Senator said he would like to restore the 1926 price level. The Senator's idea is that the

price level is determined by the amount of money in circulation; is it not?

Mr. THOMAS of Oklahoma. There is no other theory that I have ever discovered.

Mr. SHIPSTEAD. We are short twenty billions of money now.

Mr. THOMAS of Oklahoma. Credit money.

Mr. SHIPSTEAD. Yes; but it is all money.

Mr. THOMAS of Oklahoma. It is one kind of money.

Mr. SHIPSTEAD. We are short twenty billions of what we had in 1929. Does the Senator think we can raise the price level without in some way adding twenty billions to the medium of exchange?

Mr. THOMAS of Oklahoma. Oh, yes, Mr. President; I think so. Here is what I think about it: I do not think very much real money will have to be placed in circulation until the banks again commence making loans. Then, when they start to make loans, and the people start to do business, the banks will gradually expand their bank deposits; and in time—a few months or a few years, perhaps—we shall again have in the banks sixty billions of the kind of money to which the Senator refers. It will not come overnight. It will take us some time to get that \$60,000,000,000 back; but whenever we have the price level restored so that there is a profit in business the banks will commence making loans. That is the only way in which we can expand our deposits.

A bank is nothing more or less than a mint. When we speak about a mint, we think about a place where we can take gold and silver and have it minted into gold or silver dollars, but a bank is a mint where the citizen can take his collateral, his good name, and coin it into deposit money.

Why, my good friends, any one of you could go to a bank in former times and borrow a thousand dollars. Perhaps you had to furnish some collateral; perhaps you did not. Most often you did not, in former times. When you signed the note, and had the banker put the date and the amount on your pass-book, you had had the bank mint or coin for you a thousand dollars of deposit money, for all purposes just as good as any money in the world. Now, however, the banks as mints are closed. I am trying to have them reopened. I am trying to do it by putting some money in circulation, making money cheaper, making prices higher, so that banks can have an opportunity to have their deposits expand.

Mr. SHIPSTEAD. Mr. President—

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. Does the Senator think that with the present debt of the country—I do not mean the national debt; I mean the private and corporation debt and fixed charges—the production of the country will sustain bank deposits of sixty billions?

Mr. THOMAS of Oklahoma. The Senator is asking me a hypothetical question. Of course, I cannot answer it. I should say that if the country gets back to the status of prosperity that it had in 1927, 1928, and 1929, before the panic, by the time we get back there we can have \$60,000,000,000 in bank deposits, in all probability; probably more.

Mr. SHIPSTEAD. Mr. President, will the Senator permit me to make a statement?

Mr. THOMAS of Oklahoma. Yes.

Mr. SHIPSTEAD. The Senator has referred to the assignats of France, issuing currency based upon credit, adding to that credit, expanding credit. I do not see the difference between that and what we did up until 1929. We had the idea that an expansion of credit would make us all rich. We kept increasing the credit until our debts were so heavy that it began to dawn upon the people that the debts could not be liquidated, could not be paid. They were the foundation of our banking system. The foundation of our credit system was the confidence that debts could be paid. When that confidence was gone the foundation of the credit was gone, and the foundation of our banking system was gone, and the banks ceased to function, and they have not functioned since. The only credit which remained was the credit of the Government of the United States; and ever since the banks ceased to function the Government's credit has been the basis of whatever medium of exchange we have had.

What I cannot understand is how you can revive a credit system unless you make it possible for debts to be paid. They must either be reduced, or you have to furnish money so cheap that it will drive prices so high that confidence that debts again can be paid will be restored. That is the only thing that will restore the credit system and the banking system, in my opinion. The Senator seems to think that if we put a little money into circulation, the banks may again begin to function and to lend money.

Mr. THOMAS of Oklahoma. Put enough money into circulation and raise the price level, and they will begin to lend money. How much that little is, I do not know. It may appear large to some, and small to others.

Mr. SHIPSTEAD. Expanding the credit system means increasing the debts. We went to smash because of the overwhelming debts. Does the Senator think the way to get out of this depression is to increase our indebtedness, private and public, to increase the deposits of the banks? The more deposits a bank has the more it owes. I heard the Senator refer to dollars in the bank as "slacker" dollars. There is no one who dares to lend any money, no one dares to borrow any money, because the credit system is gone and confidence is gone, because of the tremendous indebtedness and fixed charges, and the productive industry of the country cannot produce enough wealth to pay and liquidate these fixed charges. If the Senator can restore the medium of exchange to the amount we had in 1929, will that be sufficient? Will not our credit system again blow up, as it did when we had \$60,000,000,000 in deposits?

Mr. THOMAS of Oklahoma. Mr. President, if the Senator or anyone else has a better plan than the one I have suggested, I shall be only too glad to hear it.

Mr. SHIPSTEAD. What I cannot understand is how the Senator can accomplish with this measure what he seeks to accomplish, because it seems to me if, as he has said, he expected something over a billion dollars in new currency to be put into circulation, that seems to be only a drop in the bucket.

Mr. THOMAS of Oklahoma. That is the reason why I have said this is a very conservative amendment.

Mr. SHIPSTEAD. The Government put into circulation some \$3,300,000,000 under the appropriation measure we passed last year.

Mr. THOMAS of Oklahoma. Oh, let me stop the Senator right there. We have increased the national indebtedness from \$16,000,000,000 to \$30,000,000,000 and not a copper cent of money has been handled. Congress has authorized the R. F. C. to lend, to date, something like \$7,000,000,000, and they have loaned the money, but not a copper cent has been handled by the R. F. C. Not a thing has been done excepting transfer debts from private parties to the United States Government, and not a penny of money has been involved. We have increased our indebtedness, and not a penny of money has been involved, except that it is taken out of circulation.

Mr. SHIPSTEAD. The Senator means currency.

Mr. THOMAS of Oklahoma. When I speak about cash, of course I mean the kind of money one can see.

Mr. SHIPSTEAD. The Senator means currency, paper money, or silver, does he not?

Mr. THOMAS of Oklahoma. Any kind of money one can see. We cannot see confidence money, we cannot see credit money, we cannot see deposit money, because it does not exist.

Mr. SHIPSTEAD. I think the Senator and I are talking about two different things. I call all things money that are mediums of exchange.

Mr. THOMAS of Oklahoma. The Senator calls the \$60,000,000,000 we had in the bank in 1930 money. It was a kind of money. It was imaginary money, it was deposit money, it was credit money; but we could not see it. It had no physical existence. It was just an entry on a book, a debt, that is all.

Mr. SHIPSTEAD. It served as a medium of exchange.

Mr. THOMAS of Oklahoma. We would have to discuss the question of what real money, basic money, secondary money, and credit money, are.

Mr. President, first there is basic money. That is the money of ultimate redemption, that is gold, and formerly there was silver, but now there is not silver. We can use silver if we want it, but nobody wants it, because when you redeem it, you have not as much value as you had before.

Mr. SHIPSTEAD. Redemption of bank money or credit money is the liquidation of the debt. For practical purposes, and for the purposes of trade and the medium of exchange, so long as that system works, it furnishes a medium of exchange, just as well as if we have the greenback, or currency, or gold.

Mr. THOMAS of Oklahoma. Perhaps I can illustrate in this way. I contend that the value of wheat is fixed by the number of bushels of wheat we know there are in existence and the prospect of raising wheat the coming year. I contend that the value of cotton is fixed by the number of bales of cotton we know there are, and the prospects of raising cotton the coming year. The value of wheat is not fixed by the number of bushels bought and sold out in Chicago on the exchange. That is imaginary wheat. I could go on the exchange in Chicago and place an order to buy a million bushels of wheat, and I would be betting the wheat was going up.

The Senator from Minnesota, if he cared to, could go to the same exchange and could sell a million bushels of wheat, and he would thereby be betting that wheat was going down. I am betting that wheat is going up, and I buy a million bushels, the Senator is betting that wheat is going down, and he sells a million bushels. But not a grain of wheat is involved. That is confidence wheat, that is credit wheat, that is imaginary wheat. But that does not fix the value of wheat, because my confidence that it is going up is nullified by the Senator's confidence that it is going down, and there we are; we criss-cross each other and nullify each other.

I contend that in a way the transactions on the Chicago Exchange regarding wheat have no particular influence on the price of wheat, because after all the value of wheat is fixed by the number of bushels we know there are in the granaries and the elevators, and the same principles apply to cotton.

Mr. SHIPSTEAD. Does not the Senator believe that a multiplication of bank money during the period of inflation of credit cheapened the dollar and had a great influence in raising prices?

Mr. THOMAS of Oklahoma. I agree to that; there is no doubt about it. It was stated a while ago that the French assignats were based upon the confiscated church property in France. There was real land, one-third of it good land of France; there might have been some bad land, but it was all land in France, including towns, including all kinds of French property.

In the bubble we had in this country in 1929, what was the money based upon? It mostly came out of New York. The vast expansion of credit money in New York to the amount of six or seven or eight billion dollars was based upon stocks. What are those stocks? The Senator from Virginia calls them "cats and dogs."

The bubble we had in America in 1929 was based upon "cats and dogs." In France, the assignats were based upon church property in France. Between the two, I think the French assignats were a better form of money than the form of money we had in 1929. It so turned out, because when the bubble burst, we lost twenty billions of our money, one-third of our total amount on deposit.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Nebraska?

Mr. THOMAS of Oklahoma. I yield.

Mr. NORRIS. Is it not conceded, referring to the illustration of France, that if France had not gone through to the extreme in the issuing of money in the form of assignats, the money would have been perfectly sound, but that they did not

quit, they kept on issuing more money and more money, and still more money, and of course the only value that was behind it all was this land?

Mr. THOMAS of Oklahoma. History shows that so long as they confined the amount of these assignats in circulation to a reasonable amount there was prosperity.

Mr. NORRIS. They were all right, absolutely.

Mr. THOMAS of Oklahoma. The country was in fine shape.

Mr. NORRIS. Yes.

Mr. THOMAS of Oklahoma. But through some influence they issued more and still more and still more, along the line adopted in the German system which followed, so finally the bubble burst.

Mr. NORRIS. The illustration that is given a great many times by those who are opposed to the issuing of any more money always goes to the extreme in attempting to show, it seems to me, that it is an impossibility to regulate the issue of currency when we once start on any program of expansion; in other words, they deny its efficacy if we do not find a stopping place.

Mr. THOMAS of Oklahoma. That has not been the record in this country.

Mr. NORRIS. No; I do not think so. In the illustration of France, where I think it is conceded if they had stopped at the right place there would have been no evil, there is no reason that I can see why a properly regulated government could not and would not stop at the right place.

Mr. THOMAS of Oklahoma. Let me remind the Senator of something concerning which he is familiar, the War between the States. The northern side, operating from this capital, ran out of gold, silver, and credit, and the administration asked for the issuance of Treasury notes. They were issued. They served their purpose. The war was over. Without gold or silver or credit the natural inference and inclination and impulse was to print more Treasury notes. Easy money! But the administrators in those days did not go ahead and issue more money. They stopped the issuance of money. They tapped the resources of the country, and collected not only enough money to pay the expenses of Government, but to commence retiring the greenbacks, and by 1878 they had retired the greenbacks to the amount of more than \$100,000,000. Now there was a chance, an elegant chance, for inflation, real inflation, to get out of control. But it was controlled.

Then again in the World War we had another opportunity, had we cared to take advantage of it, to expand the circulation indefinitely. But it was not done. We gathered up the resources of the country, and for several years after the World War was over we were collecting more money than we were spending. Not only were we applying the surplus to the retirement of our indebtedness, but we were constantly cutting down the interest rate and tax rate.

Mr. SHIPSTEAD. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. SHIPSTEAD. The inflation we had up to 1929 was a credit inflation. That means we increased our debt.

Mr. THOMAS of Oklahoma. Yes.

Mr. SHIPSTEAD. The only difference between that inflation and the one the Senator proposes is that the Senator proposes a certain amount of inflation of currency. That has the opposite effect. It pays off debts. Instead of increasing debts it pays off debts, or makes it possible to pay debts. Does the Senator agree with me on that point?

Mr. THOMAS of Oklahoma. I do.

Mr. SHIPSTEAD. The Senator from Nebraska said he thought it could be controlled. In France, in the issuing of currency or the assignats, had had proper control it would have been all right. As a matter of fact, France did inflate her currency after the World War. She carried on a war by inflation of the currency, and later wiped out 80 percent of her debts, 80 percent of the value of her bonds, and stabilized her franc at 20 percent of what it was before she stabilized her currency.

Mr. THOMAS of Oklahoma. She reduced the value of the French franc from 19.3 cents to 3.916 cents, I think it was.

Mr. SHIPSTEAD. Almost every country in Europe did the same thing, and there is not any country, with the exception of Germany, which has such an internal debt as the United States has today. The idea that there is any danger to us in a reasonable inflation of the currency, and comparing us with Germany in that respect, is not based upon the facts at all.

Mr. THOMAS of Oklahoma. I will say to the Senator that it does not appeal to me.

Mr. SHIPSTEAD. That is because we have no foreign debts to pay as Germany had. We have tremendous resources. We have twice her population. Every year we have a big balance in our favor that must be liquidated in dollars. There is more necessity for buying American dollars, and thus supporting the value of American money, than there is of any currency in the world. So it would be the hardest thing to break the American dollar. It can be broken only by breaking the credit of the National Government, and that can be broken, and I think will be broken, unless we restore the private credit system which has been broken down.

There has been talk about priming the pump. I have had some experience with pumps. I was raised on a farm. There is a certain condition of the pump that may arise so that water cannot be made to come from it by priming. If we fill the pump with water and let it freeze, and the pump cracks, then we can put into it all the water we may desire and we will never make it draw water, no matter how much water there may be in the well.

That is what happened to our credit pump. We filled it full of water—watered stocks and bonds and mortgages. We called them frozen credits, but it was frozen water, and it strained our credit system and it cracked and broke, and we think now that by pouring Government money into it we can prime the pump. I do not think it can be done. We have been trying it ever since 1930, and we have not been able to make our banking credit and our private credit system work. I think we will have to repair our fiscal pump before we can make it work.

In the case of a pump which is cracked, barrel after barrel of water may be poured into it, but it will never be made to work. We have not succeeded in making our credit system work. I do not think we will succeed until we repair the credit system by reducing the tremendous indebtedness which caused it to crack and break.

Mr. THOMAS of Oklahoma. We can reduce the indebtedness by reducing the value of the dollar.

Mr. SHIPSTEAD. Yes; that is one way.

Mr. THOMAS of Oklahoma. By an act of Congress 2 years ago we saved \$69,000,000,000 to the owners of gold bonds, assuming there were 100,000,000,000 of them in existence. We saved them in gold \$40,000,000,000, but the \$40,000,000,000, revalued in terms of present value, made \$69,000,000,000. By cheapening the dollar we saved to the debtors, the debtor class on that \$100,000,000,000 of bonds, \$40,000,000,000 in gold on the old valuation and \$69,000,000,000 in gold on the new valuation.

We can reduce the debts by cheapening the dollar. We can reduce the tariff by cheapening the dollar. I can prove that to the Senate in just a moment. If Senators will look at cardboard representation of a dollar I have in my hand I will illustrate my point. Before this dollar was devalued a foreigner or an American attempting to import into the United States had to give up 100 percent of this gold to get a dollar to pay a dollar's worth of tariff. After devaluation the American importer or the foreigner could do it with 60 percent, or as much gold as I now indicate with my chart, and with that much gold, could buy a dollar to pay a dollar's worth of tariff. So by devaluing the gold dollar we reduced the tariff 40 percent.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CONNALLY. Is it not true that what the Senator has just stated was illustrated in the case of cotton? While the President's devaluation was putting up the price of gold each day, is it not true that cotton, being an exportable

crop, responded each day with the fluctuation in the price of gold, and when gold went up cotton went up, until the final devaluation by act of Congress last year?

Mr. THOMAS of Oklahoma. I made the statement earlier in my remarks that had we not devalued the gold dollar, wheat today in Oklahoma and Texas would be selling for less than 45 cents a bushel. I made the further statement that had we not devalued the dollar, cotton in Oklahoma and Texas would be selling for less than 7 cents a pound.

Mr. CONNALLY. Is it not true that while cotton was selling for 6½ cents in America on the old gold basis, yet the Frenchman was buying cotton at 6½ cents in gold, and after devaluation he could continue to pay 6½ cents in gold, but the American farmer was getting 10 cents? Is that not true?

Mr. THOMAS of Oklahoma. Here is the way that would work. Before devaluation the Frenchman had to give up as much gold as my imaginary dollar represents to get an American dollar, but after devaluation the Frenchman only had to give up 60 percent as much gold as this symbolical dollar represents.

Mr. CONNALLY. He only had to give up 59 percent of what he previously had to give up.

Mr. THOMAS of Oklahoma. Yes.

Mr. CONNALLY. He obtained the same value for the 59 cents that he formerly got for the 100 cents.

Mr. THOMAS of Oklahoma. I made the statement that if the Senator had been in London he could have taken 60 cents and bought an American dollar on the old gold basis for 60 cents.

Mr. CONNALLY. Is it not true that the devaluation of the dollar did more to raise the price of cotton and wheat than all the measures that were adopted here under the A. A. A.?

Mr. THOMAS of Oklahoma. I made that statement. I agree with the Senator. I was going to illustrate by showing that if the Senator were in London today he could take 60 cents of gold on the old valuation and buy an American paper dollar. We will start at 60 cents on the old valuation, but he has an American paper dollar. He can go to America, or imagine he is in America—it is the same thing with that paper dollar—and buy a bushel of wheat. Wheat is selling on the exchanges for about 90 cents a bushel, so he can buy a bushel of wheat at 10 cents less in American money. He can convert his 10 cents back into gold and get 6 cents in gold.

We started with 60 cents in gold. He now has a bushel of wheat and 6 cents in gold. Deducting 6 cents from the 60 cents makes his wheat on the exchange cost him 54 cents, but in Oklahoma and Texas it takes 10 or 12 cents to get a bushel of wheat to the market, and that cost is taken out of the farmer's pocket, and he gets the balance.

Therefore, I say, had we not devalued gold, the wheat farmers of Oklahoma and Texas tonight and tomorrow would be getting 45 cents a bushel for wheat and the cotton farmer in Texas and Oklahoma tonight and tomorrow would be getting 7 cents a pound for cotton.

Mr. CONNALLY. The reason why we have not had similar advances in all commodities is that why they are domestic commodities and have not as yet caught up with the devaluation.

Mr. THOMAS of Oklahoma. I made the statement that we have two kinds of dollars. We have the foreign dollar, which is equivalent to 15 grains of gold. Then we have the domestic dollar that has the domestic value.

Mr. CONNALLY. The Senator is correct; but in the course of time, if we can stand the pressure until that time, the domestic prices will finally come very near to the level of the foreign dollar.

Mr. THOMAS of Oklahoma. They must come down. During the last 3 months we have been receiving more than \$400,000,000 in gold from foreign countries. Why is that? It is coming for the reason that foreigners can take 60 cents in gold and buy a dollar on the basis of the gold valuation. They can take that 60-cent dollar and buy goods here under this procedure cheaper than any place else in the world.

That is the reason why this horde of gold is coming to the United States.

Mr. CONNALLY. So long as they can do that it helps our export trade.

Mr. THOMAS of Oklahoma. Exactly.

Mr. BAILEY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from North Carolina?

Mr. THOMAS of Oklahoma. Certainly.

Mr. BAILEY. I wish to call the attention of the Senator to the fact that the value of cotton in terms of gold at Liverpool today is 6¼ cents as compared with 10½ cents on the prior basis.

Mr. THOMAS of Oklahoma. The Senator from North Carolina suggests that cotton has fallen 2 cents a pound in the past few days, which means \$10 or \$12 a bale; that, measured in terms of the old gold valuation, cotton today is selling in Liverpool at 6½ cents a pound. If we had not devalued the dollar and if we had the old gold dollar, which the distinguished Senator from Virginia [Mr. GLASS] regrets we do not have, the cotton farmers in North Carolina would be getting 6½ cents a pound less expense of selling. Would they be satisfied with that?

Mr. CONNALLY. Mr. President—

Mr. THOMAS of Oklahoma. I yield to the Senator from Texas.

Mr. CONNALLY. Does the Senator have any statistics on how the devaluation of the gold dollar has affected tobacco? That is a large export crop.

Mr. THOMAS of Oklahoma. I have no statistics on that product.

Mr. President, I have occupied entirely too much time. I had no idea I should, and I assure the leadership and other Senators that I have not designedly occupied a moment's time that I did not think necessary. I have one other feature of my presentation. It is a presentation which will be made in a direct appeal to the Senators from the South, the Senators from the cotton States. I propose this amendment as the way and the only way we can protect the cotton farmers of the South. I had rather not go on tonight. I have occupied the floor for 5½ hours this afternoon, and that is a pretty good day's work.

Mr. WALSH. Mr. President—

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Massachusetts?

Mr. THOMAS of Oklahoma. I yield.

Mr. WALSH. I have been very much interested in the remarks of the Senator to the effect that the devaluation of the dollar has resulted in the breaking down of our tariff rates and has likewise resulted in increased imports. Will the Senator, not tonight, but in the course of his remarks tomorrow, develop that point?

Mr. THOMAS of Oklahoma. In answer to that suggestion, the devaluation of gold and the cheapening of the dollar has made it possible for us to sell more than a billion dollars' worth of goods abroad above what we would have sold in all probability had we not devalued gold.

Mr. President, let me suggest to the leader on this side of the Chamber that, if it is agreeable to him, I should like to occupy a brief space of time tomorrow in the presentation of my amendment as it affects cotton, and then I shall have concluded.

Mr. FLETCHER. Mr. President, I have an authoritative statement coming from the Treasury as to the operations under the Silver Purchase Act and the situation regarding silver now, which I should be glad to have read at the desk. It may be that the Senator from Oklahoma may wish to comment on it afterwards.

The PRESIDING OFFICER. Without objection, the clerk will read, as requested.

The Chief Clerk read as follows:

In carrying out the policy declared in the Silver Purchase Act, and in accordance with the authority and direction therein given, the Secretary of the Treasury has acquired by purchase 198,400,000 ounces of silver, as to which delivery has already been made, and 112,212,000 ounces of silver under the nationalization order of

August 9. In the aggregate, our stocks of monetary silver have been increased by 310,612,000 ounces.

The extent of these purchases may better be appreciated by a comparison with the amounts of silver which have been produced and consumed in the United States and in the world. During 1934 it is estimated that 26,441,000 ounces of silver were produced in the United States, of which 10,811,000 ounces went into industrial use, leaving a net of only 16,000,000 ounces. The Secretary of the Treasury received in the last 5 months of 1934 twenty-seven times as much silver as was produced during those months in the United States, or more than 10 times the amount produced during the whole year, and 32 times as much of that production as was available for monetary use. The last 5 months of 1934 are taken because deliveries of silver are ordinarily not made until the end of the month in which purchased.

The whole world produced only 180,501,000 ounces of silver in 1934, of which 72,000,000 ounces, it is estimated, were necessary for industrial use. The acquisitions of the Secretary of the Treasury in the last 5 months of 1934 exceeded the world production during that period by about 110,000,000 ounces, and exceeded such of that production as was available for monetary purposes by more than 215,000,000 ounces. In other words, the deliveries actually received were almost four times the current world output of monetary silver.

The United States agreed at the London conference to withdraw twenty-four and one-half million ounces of current newly mined silver from production every year. The United States has done this under the proclamation of the President of December 21, 1933, and the figures for this silver are not included in the figures which have been given above. If that figure were added, the amount by which the total acquisitions of the United States have exceeded the world production available for monetary use would be even more startling. Taking all of these acquisitions of silver by the United States since the beginning of January 1934, we have acquired for monetary purposes 310,612,000 ounces more silver than we agreed to do by the London agreement. We have, in fact, withdrawn more than 12 times as much as we agreed to do.

The total amount of silver to be withdrawn each year by all other parties to the London agreement was 9,500,000 ounces. The United States alone has withdrawn 336,000,000 ounces, or 35 times more than the other countries agreed to take.

Under the Sherman Act of 1890, the Treasury purchased during the 3½ years of its operation 163,875,000 ounces. The Treasury has purchased and received delivery of double that amount in the roughly 6 months that the Silver Purchase Act has been in operation. Our monthly average purchases in the months after the passage of the Silver Purchase Act has been seven times the average monthly purchases under the Sherman Act of 1890.

During the period 1920-30, it is estimated that the annual withdrawal of silver for monetary purposes for the whole world, including the United States, averaged approximately 200,000,000 ounces. By virtue of the Silver Purchase Act and the acquisition of newly mined silver pursuant to the London agreement, the United States has taken 135,000,000 ounces more than the average annual amount taken by the whole world during that period.

The figures on a monthly basis are even more significant. Confining ourselves to actual deliveries, during the 6 delivery months ending February 1, 1935, the Secretary of the Treasury, under the general authority given by the Silver Purchase Act, has acquired and received delivery of silver averaging more than 50,000,000 ounces a month.

Mr. ROBINSON. Mr. President, there are two thoughts which I should like to express and give some emphasis to at this time.

The first is that in view of the course which the debate on this joint resolution has taken, and the length of time which has been consumed in its consideration, as well as the necessity for reasonably prompt action, it is felt by many of us that, if possible, the measure should be disposed of tomorrow.

Under our rules, there is no process for limiting debate except by unanimous-consent agreement. If it is practicable, I express the hope that the Senate may remain in session tomorrow until the work-relief joint resolution which has been before us for so long a time shall be disposed of.

The second thought is that amendments like the one now under consideration, and the so-called "bonus bill", had best be considered and acted upon separately. It would be possible, of course, to defer final action on this legislation for many days, and perhaps for some weeks, by offering amendments which are not related to the subject matter of the legislation—amendments which, by their nature, are of first importance, and should receive consideration by Senate committees before the Senate itself should be called to act upon them.

I know that under the rules of the Senate there is no limitation to either the number or the nature of amendments that may be offered; but, in my opinion, the friends of this legislation are well justified in insisting that important amendments like that now under consideration, and like that

which it is stated is to be hereafter offered, should be first taken up by standing committees of the Senate and reported to the Senate, so that the Senate may have the advantage and advice of the studies made by the committees.

It is my intention now, unless some other Senator wishes the floor, to move a recess.

Mr. NORRIS. Mr. President—

Mr. ROBINSON. I yield to the Senator.

Mr. NORRIS. I should like to say just a few words on this question.

I am very much interested, as I think all Senators are, and as I think the country is, in the disposition of the important measure which is now before the Congress—one of the most important measures we have ever taken up for consideration. I feel so interested in it, and so convinced that it ought to be disposed of without delay, that I have abstained many times from taking up the time of the Senate in the discussion of various questions involved in it.

I do not minimize the importance of the amendment now offered by the Senator from Oklahoma. It is of very great national importance. I should vote for the Senator's amendment if it were now pending before the Senate as a bill. I think I should do the same thing in regard to some other proposals which I understand are to be offered as amendments. In my judgment, however, it is not fair to the Senate, it is not fair to the President, it is not fair to the country, to couple up all the various very interesting bills and proposals upon which there is great disagreement over the Nation, but all of which are of national importance, and try to put them into an omnibus bill.

For that reason I intend to vote against these measures if offered as amendments to this joint resolution. I should like to vote for some of them on their merits, and should support them on their merits, and will do so; but I think we shall get into very much of a legislative jam if we try to put everything on this joint resolution. We ought to vote on the joint resolution upon its merits. We ought not to endanger it with amendments that will cause it to lose some votes here, or that will probably bring opposition from the White House or from the House of Representatives.

It seems to me we are wasting time. Time is of the essence of things. The joint resolution itself has been discussed in all its phases, and I believe Senators are ready to vote upon it. I should like to see it reach a conclusion without encumbering it with a whole lot of other legislative matters which are disputed, which are very important, but upon which there is great disagreement; and it may result in the defeat of all the measures to couple them all together.

It seems to me, therefore, that we ought to proceed as rapidly as we can, and dispose of this legislation.

Mr. ROBINSON. Mr. President, the statement of the Senator from Nebraska with respect to the procedure which ought to apply concerning the joint resolution is in accord with my own views in every respect. I think the time has come when we should take action.

For instance, take the case of the so-called "bonus bill." We have been served with notice by the Senator from Oklahoma that if the pending amendment shall not be agreed to by the Senate—and I do not think it will be—he intends to offer the bonus bill as an amendment to the pending joint resolution.

It has just been suggested to me that I submit a request for unanimous consent. I ask unanimous consent that before the close of the calendar day on tomorrow the Senate proceed to vote on the pending joint resolution and all amendments which may be pending or which may be offered thereto.

Mr. THOMAS of Oklahoma. Mr. President, reserving the right to object, replying to the suggestion made by the distinguished Senator from Nebraska [Mr. NORRIS], and likewise the distinguished Senator from Arkansas [Mr. ROBINSON], if, when we adopted the amendment to the Agricultural Adjustment Act proceedings similar to those now undertaken with regard to the pending joint resolution had not been taken, I wonder what the consequences would have been, and what would have happened if that amendment or some similar amendment had not been adopted.

There is no chance for those of us who believe that something ought to be done to get action except under the parliamentary practice of the Senate. When would we ever get a silver bill before the Senate? When would we ever get a silver bill out of the Committee on Banking and Currency? When would we ever get any kind of legislation proposing an expansion of the currency from that committee?

Mr. FLETCHER. The Senator's bill was referred to the Finance Committee.

Mr. NORRIS. Mr. President, I do not believe there is any doubt but that we could get a hearing on the bill, which is identical with the amendment now offered. I do not doubt for a moment that we will have an opportunity to vote on and dispose of the bonus bill. I think that can be brought about under the rules of the Senate. With the able Senator from Oklahoma leading, I think we can force consideration, both in the committee and in the Senate.

So far as I am concerned, in my weak way, I should be very glad to join with the Senator in forcing such consideration, and I do not believe it would be very difficult to bring it about.

Mr. THOMAS of Oklahoma. Owing to the fact that no quorum call has been made, and barely a quorum is present, I should feel constrained to object to any consent being given tonight for any limitation of debate.

Mr. ROBINSON. Mr. President, that makes it unnecessary for me to submit another request for a limitation.

Mr. THOMAS of Oklahoma. I assure the Senator I do not intend to delay the Senate unduly.

Mr. ROBINSON. Of course, the question as to what is undue delay is one about which perhaps the Senator from Oklahoma and I would not agree. To illustrate, he has consumed the entire session today, 6 hours, approximately—

Mr. THOMAS of Oklahoma. That has not bothered the Senator from Arkansas.

Mr. ROBINSON. In a single address, which he has not yet concluded, and I do not think that the amendment he is presenting and urging should be presented and urged in connection with the pending joint resolution. I have already gone into that. I hope that the Senator will not object to a reasonable limitation on debate, and I will submit a request.

I ask unanimous consent that after the Senate shall meet tomorrow no Senator shall speak more than once or longer than 30 minutes on the joint resolution, or more than once or longer than 15 minutes on any amendment which may be pending or which may be offered.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Is there objection?

Mr. THOMAS of Oklahoma. Mr. President, for the reasons suggested, I must object.

Mr. ROBINSON. Very well, Mr. President. Then I give notice that the session tomorrow will be a long one, unless the consideration of the joint resolution can be concluded at an early hour.

Mr. THOMAS of Oklahoma. In that event, we may expect to have prayer Sunday morning in the Senate Chamber.

Mr. ROBINSON. Mr. President, the Senator serves notice by that last remark—

Mr. THOMAS of Oklahoma. The Senator served a notice first.

Mr. ROBINSON. I have served no notice, except a very reasonable one. The Senator announces that he will continue debate until Sunday morning. Now I give notice that an effort will be made in the early future to bring the debate on the pending joint resolution to a close. If necessary, an effort will be made to resort to cloture.

Mr. BONE. Mr. President, if I may have the attention of the Senator from Arkansas [Mr. ROBINSON], I understand that, under the rules of the Senate, when the so-called "Patman bill" shall come to the Senate, having passed the House, it will be referred to the appropriate committee for consideration.

Mr. ROBINSON. Certainly.

Mr. BONE. Then, under our rules, if the committee should refuse to report the bill by a majority vote we could discharge the committee from the further consideration of the bill and have it brought before us. So, in no event, would we be precluded from a vote on it, if a majority of the Senate wanted to vote on it. Am I correct?

Mr. ROBINSON. That is entirely correct, and the same statement is applicable to the pending amendment.

Mr. BONE. There would be no particular object in attaching the so-called "Patman bill" to the pending joint resolution, since a majority of the Members of the Senate could have the bill brought up and have it disposed of immediately, if they so desired?

Mr. ROBINSON. Mr. President, that is the view I take, and if the debate is to continue indefinitely, and amendments which are not in any sense germane to the joint resolution or its provisions are to be offered without regard to time or the convenience of the Senate, it may become necessary to test out the will of the Senate by motions to lay such amendments on the table. The Senate has the power to terminate debate in that way, and to reach a conclusion.

I know it is somewhat unusual in the Senate to move to lay amendments on the table, but the pending joint resolution has been before the Senate for a very long time, and those who are for it ought to take concerted action to secure its passage.

DAUGHTERS OF THE AMERICAN REVOLUTION—THIRTY-SEVENTH ANNUAL REPORT

Mr. HAYDEN. Mr. President, by direction of the Committee on Printing I offer the resolution which I send to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The resolution will be read.

The resolution (S. Res. 110) was read, considered, and agreed to, as follows:

Resolved, That the Thirty-seventh Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1934, be printed, with illustrations, as a Senate document.

SHOE INDUSTRY CODE

Mr. McKELLAR. Mr. President, I present two telegrams for printing in the RECORD in reference to the shoe industry code—one from W. T. Witherington, of the Chamber of Commerce of Union City, Tenn., and the other from Milton Talley Post, No. 20, of the American Legion of the same city.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

UNION CITY, TENN., March 21, 1935.

HON. KENNETH D. McKELLAR,
Washington, D. C.:

We observe that Massachusetts Congressmen and labor leaders are attempting to have code for shoe industry so constructed and passed that will be damaging and detrimental to all communities like ours in this entire area. It is imperative that shoe-industry code have wage differential, sex and geographic. We feel convinced anything else in code might be termed "superfluous." There is no necessity of public hearing at this time.

UNION CITY CHAMBER OF COMMERCE,
W. T. WITHERINGTON, President.

UNION CITY, TENN., March 21, 1935.

HON. KENNETH D. McKELLAR,
Washington, D. C.:

There is no justification for public hearing at this time on code for shoe industry. We observe that Massachusetts Congressmen and labor leaders are attempting to have code for shoe industry so constructed and passed that will be damaging and detrimental to communities like ours. It is imperative that shoe-industry code have wage differential, sex and geographic.

MILTON TALLEY POST, No. 20, THE AMERICAN LEGION,
A. R. TREADWAY, Commander.

THE BONUS

Mr. COPELAND. Mr. President, one of my constituents calls attention to the fact that all the speeches which are put into the RECORD about the bonus are in favor of its payment. Without expressing any opinion as to my own views, I ask unanimous consent that a radio speech by Donald A. Hobart, national commander of the American Veterans' Association, Tuesday, March 12, 1935, be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THIS IS ZERO HOUR

In my recent speeches I have directed my remarks to all citizens. This time I shall address only one section of our citizenry. To those people I have something to say in deadly earnest—something that affects them, their wives, their children, and their property. If you own an insurance policy, if you have a savings account, if you possess Government or corporate bonds, if you pay taxes, if you have just reached voting age and find yourself confused by the present economic uncertainty, you are among those whom I am addressing.

On you who, by hard work, are maintaining your insurance; on you who have accumulated savings accounts for your old age; on you who, with great difficulty, are helping to pay the largest tax bill this country has ever imposed—on you, the youth of the land, who will continue to bear this burden—on you, I say, rests the future of this Nation. You form the great backbone of the country. You decide the future, because you cast the great majority of the votes.

But when it comes to any specific Federal legislation you are unorganized and inarticulate. You cannot quickly make your voice heard. It is possible for a well-organized, vociferous minority with a powerful lobby in Washington to put something over on you. It has been done repeatedly before, and it is now being done again in the so-called "soldiers' bonus bill."

This week the House of Representatives in Washington will vote on a bill to pay two thousand millions of dollars in cash to 3 percent of the Nation, regardless of need, from 10 to 20 years before it is due. Indications are that one of two bills will pass and go to the Senate. Both of these bonus bills—the Patman bill and the Legion-sponsored Vinson bill—are thoroughly bad and should not become law. If either becomes law, you will pay the piper. You to whom I address these remarks should know the consequences of these bills and act to prevent their passage. Let us examine these two bills and let me tell you how they can be defeated.

The Vinson bill, reported out to the House last week by the Ways and Means Committee, is perhaps the most brazen-faced Treasury raid ever put on an apathetic public. This bill, drafted by the American Legion and introduced at its request by Representative FRED M. VINSON, of Kentucky, a legionnaire, says this to you citizens, already heavily burdened with taxes, "We veterans want two thousand millions of dollars in cash now. And what's more we don't want to pay interest on money we've already borrowed. We don't know nor care how you raise the two billions, but pay it now and be quick about it." Now it is true that Congress passed a law in 1924 which calls for such a payment to veterans between 1945 and 1955, but it isn't due now, for which all of us can thank God.

To demand payment now means that the money must be raised now. And how will the money be provided? The Legion, which drafted the bill, doesn't know nor care. But you know the answer just as well as any member of the Ways and Means Committee in Washington. There are but two ways:

First, sell more Government bonds and thus increase the Government debt, now higher than it has ever been, and in doing so pyramid the taxes.

Second, start the printing presses and through inflation cut the value of every savings account and insurance policy you own. There isn't any other way to raise this two thousand millions in cash now. Do you want inflation? Do you want more taxes, or do you want to stop this raid and pay this debt in 1945 when it is legally due and when funds to pay it will have been accumulated in regular orderly fashion?

Further, the Vinson bill is based on false premises, as the New York Times of March 8 clearly pointed out. Said the Times:

"In an attempt to justify the payment now proposed, the preamble of the Vinson bill makes two statements which are in startling contradiction to the facts. It asserts that the payment will merely 'discharge and retire an acknowledged contract obligation of the Government.' No shred of such an obligation exists, either legally or morally."

"The preamble of the bill also makes the amazing statement that the plan for immediate payment 'will not create any additional debt.' It will create a very large additional debt. The Government will have to borrow more than \$2,000,000,000 to redeem the certificates at their maturity value precisely at a time when its credit is already being tested by huge borrowing to meet relief expenditures."

Recently you noticed that President Roosevelt bought several of the new Government baby bonds. For each bond he paid \$18.75. The terms of the bond are that the Government will pay him \$25 for that bond in 1945. What would you have thought of the President if he had the next day sent his bond up to the Treasury and demanded his \$25? But that's exactly what the Vinson bill does for the veteran. It calls for the payment in full of his adjusted-service certificate now instead of in 1945, or later when it is due. Is that fair? Is it reasonable? Is this patriotism as we knew it in 1917?

Now, as to the Patman bill, which deliberately calls for paying the bonus by printing two thousand millions of new currency. If you care anything for the future value of your savings accounts and insurance policies be on the alert to see that this bill is killed. If this bill should become law it simply means that we take a sloop down the toboggan slide of currency inflation.

Why is that so? Why will two thousand millions new currency push us further toward inflation? Because when you greatly increase the supply of money you cheapen it just as in a good apple year apples are cheap. When you cheapen money, prices of goods increase. A given part of your insurance money would enable your wife, should you die tomorrow, to buy food and clothing for a year. But if inflation comes, that same proportion of your insurance will provide food and clothing for her for a week, a day, or for only a single meal. In short, inflation of the currency, toward which the Patman bill directly leads, means that the value of present money in terms of things we all must buy will be cut just as it was in Germany and Austria after the war. For, remember, that if and when we have inflation the banks and insurance companies will pay you and your family in inflated paper money—possibly in what we shall then be calling Patman money.

I have before me a hundred million mark note printed in Germany during the inflationary days. At one time the German who owned a hundred million marks was rich beyond the dreams of avarice. He had the equivalent of \$25,000,000. During inflation he couldn't buy a package of cigarettes with his hundred million marks.

Now, I want to explain why no bonus bill should be allowed to pass at this session of Congress. Let me present a few facts which I think will convince you that to pay two thousand million dollars in cash now for anything but the most desperate needs is not only unjust but simply not good business judgment.

Let us look about us. Harry Hopkins told us last week that 22,375,000 of our fellow citizens have only a Government relief job or a dole between them and starvation. The Sunday papers stated that \$58 is spent every second for Government relief. This is \$208,000 every hour, \$5,000,000 every day, \$150,000,000 every month, and the load is increasing. There were 17,000,000 people on relief in May 1933. Now there are 22,375,000 on relief, and \$3,207,000,000 has been spent in the meantime by the Government on behalf of these unfortunate people. For 2 whole years this situation has been getting worse, and the end is not in sight.

And now with these facts confronting us, along comes an organized, greedy group which claims to speak for all veterans, and wants you to pay two thousand millions in cash to 3 percent of the population, many of whom don't need it, many of whom bitterly resent the demand, and against the advice of President Roosevelt and scores of our most able, influential, and respected citizens. This is nothing less than a bare-faced, brazen hold-up.

Before telling you how you can help to stop this grab, let me make two observations:

First, about the stand of the sponsors of bonus prepayment. These men are sincere. They are convinced that the veterans should have the cash. The trouble with them is that they are blind to their highest duty.

They see themselves as veterans, first, last, and all the time. I submit that important as the veterans may be, all of us are something else first. We are American citizens before we are veterans. I ask Mr. John Thomas Taylor, who is supporting the Vinson bill, and Representative WRIGHT PATMAN, who is sponsoring his own measure, just one simple question: "Can you as American citizens justify this hand-out with more than 22,000,000 of your fellow citizens on Government relief and with the Federal Budget badly out of balance?" There is only one answer.

Second, and of the utmost importance to our country's welfare: The waters of discontent are rising. Already fed by rivulets from Louisiana, from Michigan, and from California, the pressure against the dam of common sense is increasing. In the rising flood we see demands for a variety of crack-brained plans which appeal to the worst instincts of large groups of people who stand to gain by their adoption. Above the turmoil you hear the clamor of vast numbers of people now receiving some sort of subsidy which may have been justified when first given but is now regarded by the recipients as a vested inalienable right. Both these groups, one which feels entitled to "hand-outs" and one which is fighting to retain "hand-outs", are organizing. They are realizing the power of the organized articulate minority. The result is a clamor for Federal grants such as never before threatened the Federal Treasury.

Unlike many of these demands, the bonus is concrete, it is simple, it is immediate, and it can be defeated. But if it is not defeated the bonus will be the first crack in the dam which now holds back the flood of those who believe the country owes them a living.

If you think that this statement is an exaggeration, I refer you to the fact that, at the request of the American Legion, a bill has been introduced within the last few weeks by Representative RANKIN, of Mississippi, which provides for the payment of pensions to widows of World War veterans who died from causes in no way related to their military service. Should this bill become law, the next step following, as surely as night follows day, will be a demand for pensions for everyone who ever wore their country's uniform.

A victorious fight on the bonus now will act as a flaming barrier across the path to the Federal Treasury. To crack-brained demagogues it will be a warning. To you, the right-thinking, sensible people, who are working to preserve your country's institutions, it will be convincing evidence that justice and fair dealing still prevail.

Now, how can this vicious legislation be stopped? It cannot, in my opinion, be stopped in the lower House. But it can be killed in the Senate with your help and support. If you wish to protect your insurance policies and your savings from inflation, if you wish to keep down Federal taxes and stop these raids on the Treasury, write or wire the President now and assure him of your support.

Write or wire your Senators, urging them to veto any and all bills advocating prepayment of the bonus. If you don't know their names, call up your public library and find out. Their address is Senate Office Building, Washington, D. C. You are the voters; you should decide. This hand-out can be killed if you will help us in our fight.

LIVING CONDITIONS IN THE SOUTH

Mr. COPELAND. Mr. President, I have received an appeal from the Rochester Young People's League concerning a report in one of the departments on living conditions in the South. I ask that their letter, which is brief, be printed in the RECORD together with other communications relating to the same subject.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

ROCHESTER, N. Y., March 9, 1935.
HON. ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.

DEAR SIR: By a unanimous vote, the members of the Rochester Young Peoples' League have requested me to write you urging a Federal investigation into the intolerable living conditions of southern tenant-farmers and share-croppers. It has come to our attention that Mary Connors Myers' long-awaited report on the whole situation has been officially received by the Department of Agriculture and the A. A. A., but that for some reason or other it has not seen the light of day. Whatever may have been the motives of those responsible for its suppression, we believe it would be to the benefit of the share-croppers and farm-tenants to publish this report. As citizens of the State which you represent in the Senate, we sincerely hope you will bring the entire matter to the notice of your colleagues and to the general public.

Very truly yours,

RICHARD E. POSNER, Secretary.

SCHENECTADY, N. Y., March 10, 1935.

Senator ROYAL S. COPELAND,
United States Senate, Washington, D. C.

SIR: As an enrolled Democrat, I urge you to institute an investigation of the deplorable conditions existing in the cotton-producing areas. I refer particularly to the share-cropper renters. I have in mind the following points:

The report on the condition of these people made by Mary Myers, a Government investigator, which has been suppressed by the Government, should be made public.

Has anything been done to offset the effect of A. A. A. in throwing many of the renters out of employment?

Are these people taken care of by the relief program? Reports are to the contrary.

Very truly yours,

C. H. MOTT.

SCHENECTADY, N. Y.

HON. ROYAL S. COPELAND,
United States Senator,
Senate Office Building, Washington, D. C.

DEAR SENATOR COPELAND: If I had not read the account of the plight of the cotton share-croppers in the current issue of such a reputable publication as Time magazine, I could not believe that such outrageously lousy conditions could possibly exist in the United States of America in the year of our Lord 1935.

Talk about Russia! I have never read of babies sucking bitches in Russia. And I doubt that it will ever happen in Russia because the babies' mothers have no food while food is being destroyed to raise prices. In the name of the Gallilean, what kind of mad-house of a system are we operating?

Human babies sucking bitches in America! I say that this account in Time magazine calls for an immediate, full, open congressional investigation of the entire situation. As your constituent and as a two-time supporter at the polls, I urge you to use your power and your ability to institute an immediate senatorial investigation.

Also please let me urge you to put through a real pure food and drug bill with teeth in it. Let us get rid of these gyps and phonies who sell us food adulterated with harmful chemicals. You are a doctor of medicine, and we expect real things from you.

Sincerely,

IRVING H. MARSHMAN.

GENERAL ELECTRIC CO.,
Schenectady, N. Y.

HON. ROYAL S. COPELAND,
Senate Office Building, Washington, D. C.

DEAR SENATOR: As a constituent of yours I earnestly urge that you demand an immediate congressional investigation of the deplorable plight of the share-croppers in the South which is described in the current issue of "Time" magazine.

Very truly yours,

GILBERT P. TARLETON,
19 Washington Avenue, Schenectady, N. Y.

EXECUTIVE SESSION

Mr. ROBINSON. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair) laid before the Senate a message from the President of the United States, submitting sundry nominations in the Army, which was referred to the Committee on Military Affairs.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

Mr. SHEPPARD, from the Committee on Military Affairs, reported favorably the nominations of sundry officers in the Regular Army.

Mr. MCKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. COPELAND, from the Committee on Commerce, reported favorably the nomination of William E. Dunn to be assistant director, Bureau of Foreign and Domestic Commerce, vice Henry Russell Armory, resigned.

The PRESIDING OFFICER. The reports will be placed on the Executive Calendar. The calendar is now in order.

POSTMASTERS

The legislative clerk read the nomination of Jessalee Nash, to be postmaster at Hollister, Mo.

Mr. MCKELLAR. Mr. President, I am informed by the office of the Senator from Missouri [Mr. CLARK] that objections to this nomination have been withdrawn, and I ask that it be confirmed. I also ask unanimous consent that the nominations of all postmasters on the calendar be confirmed en bloc, including the nomination of Jessalee Nash to be postmaster at Hollister, Mo.

The PRESIDING OFFICER. Without objection, it is so ordered, and the nominations of postmasters on the calendar are confirmed en bloc.

IN THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. ROBINSON. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Navy are confirmed en bloc. That completes the Calendar.

RECESS

Mr. ROBINSON. As in legislative session, I move that the Senate take a recess until 11 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 2 minutes p. m.), the Senate, in legislative session, took a recess until tomorrow, Saturday, March 23, 1935, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate March 22 (legislative day of Mar. 13), 1935

APPOINTMENT, BY TRANSFER, IN THE REGULAR ARMY TO QUARTERMASTER CORPS

First Lt. Richard Herbert Torovsky, Infantry (detailed in Quartermaster Corps), with rank from November 27, 1928.

TO FIELD ARTILLERY

Second Lt. William Roberts Calhoun, Infantry, with rank from June 13, 1933, effective June 13, 1935.

Second Lt. William Roy Thomas, Infantry, with rank from June 10, 1932.

PROMOTIONS IN THE REGULAR ARMY

To be captain

First Lt. Elliott Watkins, Infantry, from March 20, 1935.

To be first lieutenant

Second Lt. Paul Thomas Cullen, Air Corps, from March 20, 1935.

MEDICAL CORPS

To be captain

First Lt. Robert Purcell Rea, Medical Corps, from March 20, 1935.

CONFIRMATIONS

*Executive nominations confirmed by the Senate March 22
(legislative day of Mar. 13), 1935*

PROMOTIONS IN THE NAVY

Rear Admiral Adolphus Andrews to be Chief of the Bureau of Navigation, Department of the Navy, with the rank of rear admiral.

Capt. Harold G. Bowen to be Engineer in Chief and Chief of the Bureau of Engineering, Department of the Navy, with the rank of rear admiral.

Herbert B. Riebe to be captain.

Thaddeus A. Thomson, Jr., to be captain.

Albert H. Rooks to be commander.

Floyd J. Nuber to be lieutenant commander.

Joseph A. Farrell, Jr., to be lieutenant.

George L. Purmort to be lieutenant.

Frederick B. Warder to be lieutenant.

Waldo Tullsen to be lieutenant.

Anthony L. Rorschach to be lieutenant.

William B. Colborn to be lieutenant.

Ernest St. C. von Kleeck, Jr., to be lieutenant.

Jackson S. Champlin to be lieutenant.

Clarence C. Ray to be lieutenant.

Roger B. Nickerson to be lieutenant.

Joseph W. Ludewig to be lieutenant.

Thomas J. Greene to be lieutenant (junior grade).

Walter C. Bailey to be lieutenant (junior grade).

Edward H. Allen to be lieutenant (junior grade).

Charles F. House to be paymaster.

John Ball to be paymaster.

Joseph G. Hagstrom to be paymaster.

Patrick J. Byrne to be chief boatswain.

Edward S. Pelling to be chief electrician.

Arthur C. Larsen to be chief pay clerk.

POSTMASTERS

CONNECTICUT

Agnes Reilly Collins, Woodmont.

FLORIDA

Lona F. Baxley, Bay Pines.

Beulah S. Hanna, Hastings.

Gertrude Scott, Jacksonville Beach.

Lynn W. Bloom, Lakeland.

William C. Hill, Miami.

Frederick F. Stump, Starke.

IOWA

Carl L. Anderson, Sac City.

KENTUCKY

Nannie G. Woodson, Eddyville.

MAINE

Adelbert L. Mains, Mechanic Falls.

Archie R. King, Saco.

MINNESOTA

Harold E. Otterstein, Amboy.

Joseph L. Zimmerman, Aurora.

William C. Wiench, Bagley.

Nettie Layng, Bruno.

Alvah G. Swindlehurst, Cass Lake.

Otto H. J. Zorn, Danube.

Dennis E. Murphy, Dassel.

Gunstein D. Aakhus, Erskine.

Herman J. Ricker, Freeport.

Donald B. Brower, Kimball.

Robert B. Forrest, Lake Wilson.

Clarence H. Cook, Newfolden.

Virginia B. Flentje, Round Lake.

Herman E. Kent, Sanborn.

Benjamin F. DuBois, Sauk Center.

Henry C. Megrund, Shelly.

Mae A. Lovestrom, Stephen.

Arthur C. Jensen, Winger.

MISSISSIPPI

Nicie R. Evans, Bassfield.

Fred Eugene Brister, Bogue Chitto.

Minnie B. Dubuissou, Long Beach.

Faye V. Peel, Potts Camp.

Erma L. Morris, Seminary.

MISSOURI

Jessalee Nash, Hollister.

NEBRASKA

Jacob Fred Koehler, Fort Crook.

OREGON

John C. Bilyeu, Tigard.

WASHINGTON

Thomas H. Mansfield, Forks.

Walter A. Arend, Friday Harbor.

HOUSE OF REPRESENTATIVES

FRIDAY, MARCH 22, 1935

The House met at 12 o'clock noon.

The Chaplain, Rev. James Spera Montgomery, D. D., offered the following prayer:

Blessed be the name of the Lord. We give ourselves pause to meditate a moment on the mercies of our Heavenly Father and respond to the voice of the human soul. In Thy holy name we would claim our heritage of happiness in a world whose Builder and Maker is God; we rejoice in the blessing of Thy marvelous works. The sun and the star beams shine for us; the tides ebb and flow for us; the fields and the hill-sides will soon be dressed with living green for us; all Thy works shall praise Thy name Hin earth and land and sea! We most humbly acknowledge that we are debtors. We are grateful for the pioneers of thought, for the martyrs to liberty; but infinitely above these we thank Thee for the Prophet of human brotherhood. Through Him we have been crowned with glory and honor. Forbid that we should move in a world so full, so rich, and so wonderful with heavenly blessings and be hard of heart and blind of eye. Inspire us to love life and hold it as a sacred trust. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

WORLD WAR ADJUSTED-SERVICE CERTIFICATES

Mr. CULLEN. Mr. Speaker, there is some confusion in the minds of the Members as to the exact parliamentary situation of this bill and I would suggest that the Chair announce to the House the status of the measure in order that all Members may have a clear understanding of the parliamentary situation.

The SPEAKER. The first vote will be on the engrossment and third reading of the bill. After the third reading the rule makes in order two motions to recommit.

It is the purpose of the Chair under the rule adopted and following the announcement made by the Chairman of the Rules Committee in presenting the rule to recognize the gentleman from Kentucky [Mr. VINSON], or some other gentleman to offer a motion to recommit carrying the so-called "Vinson bill."

After this motion is voted up or down the Chair will recognize the gentleman from Massachusetts [Mr. TREADWAY], the ranking minority Member of the Ways and Means Committee, if the gentleman seeks recognition to offer such motion to recommit as he may desire to submit.

The first vote after the third reading of the bill will be on the motion which the Chair understands will be offered recommitting the bill with instructions to report the so-called "Vinson bill" back to the House.

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Except insofar as the rules respecting the making of motions to recommit are changed by the spe-

cial rule itself, I understand the general rules of the House respecting motions to recommit still apply insofar as they are not changed by the special rule itself?

The SPEAKER. That is true.

Mr. VINSON of Kentucky. Mr. Speaker, did I hear the Chair announce that after the motions to recommit have been voted upon there will be opportunity to have a roll call upon the final passage of the bill?

The SPEAKER. Yes; if the House so orders. The final vote will be on the passage of the bill. It is within the power of the House to order a roll call if it so desires.

Mr. BLANTON. The final vote may be a roll call or not, as the House may order.

Mr. VINSON of Kentucky. I was referring to a "yea and nay" vote.

PERMISSION TO ADDRESS THE HOUSE

Mr. KENNEY. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. TAYLOR of Colorado. Mr. Speaker, reserving the right to object, what is the request of the gentleman?

Mr. KENNEY. I desire to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. TAYLOR of Colorado. Mr. Speaker, I object. I think there will be time enough to make announcements hereafter.

WORLD WAR ADJUSTED-SERVICE CERTIFICATES

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed, read a third time, and was read the third time.

Mr. VINSON of Kentucky. Mr. Speaker, I move to recommit the bill (H. R. 3896) to the Committee on Ways and Means with instructions to report the same back forthwith with the following amendment: Strike out all after the enacting clause in the said bill and insert the following amendment, which I send to the Clerk's desk.

Mr. BLANTON and Mr. RANKIN reserved all points of order against the motion to recommit.

The Clerk read as follows:

Mr. VINSON of Kentucky moves to recommit the bill, H. R. 3896, to the Committee on Ways and Means with instructions to report the same back forthwith with the following amendment: Strike out all after the enacting clause in said bill and insert the following:

"That notwithstanding the provisions of the World War Adjusted Compensation Act, as amended (U. S. C., title 38, ch. 11; U. S. C., Supp. VII, title 38, ch. 11), the adjusted-service certificates issued under the authority of such act are hereby declared to be immediately payable. Payments on account of such certificates shall be made in the manner hereafter provided in this act upon application therefor to the Administrator of Veterans' Affairs, under such rules and regulations as he may prescribe, and upon the surrender of the certificates and all rights thereunder (with or without the consent of the beneficiaries thereof). The payment in each case shall be in an amount equal to the face value of the certificate, except that if, at the time of application for payment under this act, the principal with respect to any loan upon any such certificate has not been paid in full by the veteran (whether or not the loan has matured), then, the Administrator shall (1) pay or discharge such unpaid principal in such amount as is necessary to make the certificate available for payment under this act, (2) deduct the same from the amount of the face value of the certificate, and (3) make payment in an amount equal to the difference between the face value of the certificate and the amount so deducted.

SEC. 2. In the case of each and every loan heretofore made pursuant to law by the Administrator of Veterans' Affairs and/or by any national bank, or any bank or trust company incorporated under the laws of any State, Territory, possession, or the District of Columbia, upon the security of an adjusted-service certificate, any interest that has been or, in consequence of existing law, would be charged against the face value of such certificate either shall be canceled or not so charged, as the case may be, notwithstanding any provision of law to the contrary. Any interest on any such loan payable to any such bank or trust company shall be paid by the Administrator of Veterans' Affairs.

SEC. 3. (a) An application for payment under this act may be made and filed at any time before the maturity of the certificate (1) personally by the veteran, or (2) in case physical or mental incapacity prevents the making or filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed. An application made by a person other than a representative authorized by such regulations shall be held void.

(b) If the veteran dies after the application is made and before it is filed it may be filed by any person. If the veteran dies after

the application is made it shall be valid if the Administrator of Veterans' Affairs finds that it bears the bona fide signature of the applicant, discloses an intention to claim the benefit of this act on behalf of the veteran, and is filed before the maturity of the certificate, whether or not the veteran is alive at the time it is filed. If the death occurs after the application is made or filed but before the receipt of the payment under this act, payment shall be made to the beneficiary designated.

(c) Where the records of the Veterans' Administration show that an application, disclosing an intention to claim the benefits of this act, has been filed before the maturity of the certificate, and the application cannot be found, such application shall be presumed, in the absence of affirmative evidence to the contrary, to have been valid when originally filed.

(d) If at the time this act takes effect a veteran entitled to receive an adjusted-service certificate has not made application therefor he shall be entitled, upon application made under section 302 of the World War Adjusted Compensation Act, as amended, to receive, at his option, either the certificate under section 501 of this act, as amended, or payment under this act.

SEC. 4. Subdivisions (b) and (c) of section 302, section 311, subdivision (b) of section 312, section 602, and subdivision (b) of section 604 of the World War Adjusted Compensation Act, as amended (U. S. C., Supp. VII, title 38, secs. 612, 621, 622, 662, and 664), are hereby amended, to take effect as of December 31, 1934, by striking out "January 2, 1935", wherever it appears in such subdivisions and sections and inserting in lieu thereof "January 2, 1940."

SEC. 5. There is hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act.

SEC. 6. This act may be cited as the "Emergency Adjusted Compensation Act, 1935."

Mr. DIES (interrupting the reading of the motion). Mr. Speaker, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. BLANTON. It is known as the "Vinson bill."

Mr. DIES. It is the Vinson bill, and we have had it read heretofore.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. BLANTON. Mr. Speaker, that does not do away with the reservations of points of order?

The SPEAKER. No. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BLANTON. Mr. Speaker, for the purpose only of getting a ruling from the Chair on the existing parliamentary situation, which is novel in that there has never been a precedent like it before in the whole history of this House, I make the point of order that even though the rule provides for two motions to recommit, they are under and governed by the general rules of the House except insofar as the special rule itself changes the general rules. The rules and precedents of the House provide that where a matter has been voted upon and adopted, not only in the Committee of the Whole House on the state of the Union but also in the House itself after the bill comes back from the Committee of the Whole House on the state of the Union to the House, and the House votes on such substantive proposition in the bill and registers its decision on that proposition, and motion is duly made and carried to reconsider the vote by which the proposition was passed and to lay that motion on the table, you cannot have two votes thereafter in the House on the same identical proposition that has been voted upon once in the House.

In this connection I want to call the attention of the Chair to the fact that the Patman amendment was submitted in the Committee of the Whole House on the state of the Union as a substitute for the Vinson bill under the proper rules of the House, by moving to strike out the first paragraph of the Vinson bill and offering the Patman bill as an amendment in the way of a substitute, and then giving notice that in case the amendment were adopted the balance of the Vinson bill would be stricken out on motion.

This procedure was followed under the rules of the House. The notice was given, the Patman bill was adopted as a substitute for the Vinson bill in Committee of the Whole House on the state of the Union by a teller vote, following which the gentleman from Texas [Mr. PATMAN] moved and by unanimous consent had all the balance of the Vinson bill stricken out.

This action was reported to the House itself as soon as the Committee of the Whole House on the state of the Union

rose. Then there was a direct vote in the House itself on the Patman amendment, on substituting it for the Vinson bill. The House voted by roll call, and the vote was 202 for the Patman substitute as against 191 for the Vinson bill. And thus the House substituted the Patman bill for the Vinson bill.

Now a motion to recommit, seeking to turn around and switch back the Vinson bill for the Patman bill would undo exactly what the House has already voted. My point of order is this: If the special rule provides to do away with all the rules respecting motions to recommit and if we may have two votes in the House on the identical proposition which has already been decided by the House, then we would be placed in the ridiculous position that after we now vote on the Vinson motion to recommit, to substitute the Vinson bill, which will be the second time the House has voted on it, and if the House should vote against that, which would be the second time the House had voted it down, then somebody else could again offer a motion to recommit, the second such motion under the special rule, to substitute the Vinson bill, and then we would have the ridiculous situation of the House of Representatives voting three different times in the House on the same proposition.

I am not averse to giving our friends who were absent yesterday a chance to vote on the matter of choosing between the Patman bill and the Vinson bill, since there was some understanding between certain of our friends in the House, but I simply want to preserve the orderly procedure of the House and the rules and precedents which have been adopted here and followed for 100 years, and it should be made plain that only under the special rule would it be permitted. I hope the Chair will make that matter very plain, that under no circumstances would it be permitted, were it not for the novel and unprecedented language used in the special rule under which this particular bill is being handled.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I yield to my friend from Mississippi, although I am through with my statement.

Mr. RANKIN. I want to call the attention of the gentleman from Texas to two facts: In the first place, while this rule gives the right to make two motions to recommit, it does not give them the right to make any specific motion.

Mr. BLANTON. Oh, I think it does; but otherwise not as against the general rules of the House.

Mr. RANKIN. I understand that. Then I want to call attention also to the fact that we not only voted in the House on the Vinson bill, but after that vote was taken a motion to reconsider was offered, and that motion was laid on the table.

Mr. BLANTON. Oh, yes; there was a motion to reconsider the vote by which the Patman amendment was adopted made by my colleague the gentleman from Texas [Mr. PATMAN], and that motion was laid on the table, except for this special rule, would prevent a reconsideration of the matter in the House at this time.

Except for the special rule, there could be only one motion to recommit. And under this special rule it is very clear that there could be a motion to recommit generally, there could be a motion to recommit with instructions to bring in the Andrews bill, or there could be a motion to recommit with instructions to bring in the Cochran bill.

Mr. COCHRAN. And there will be.

Mr. BLANTON. Or there can be a motion to recommit with instructions to bring in the McReynolds bill. Two of these motions would be in order.

I submit the point of order to the Speaker merely to get a ruling, so that it may be made plain that only under this special rule would such action be allowed.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. I have concluded. I would rather for the gentleman to secure his own time.

Mr. O'CONNOR. Mr. Speaker, in order that the RECORD may be clear and that there may be no misunderstanding about the parliamentary situation, I desire to reply and oppose the point of order made by the gentleman from Texas [Mr. BLANTON].

What the gentleman stated as to two actions by the House, first after having adopted the Patman amendment, then permitting a motion to recommit to revive, as it were, the Vinson bill, is correct under general parliamentary procedure. There is no exact rule of the House covering the situation, but ordinarily a parliamentary body does not take an inconsistent position.

What was provided in the special rule for the consideration of bonus bills may be inconsistent, but it was deliberately provided. The gentleman from Texas [Mr. BLANTON] criticizes the rule permitting this procedure, which he calls ridiculously inconsistent, but this rule, for the first time in the history of the parliamentary procedure of this body, as far as we were able to ascertain, made in order the Patman bill, a bill which had never been reported from any committee of the House. This was therefore the first time any opportunity was ever given, under a rule, for the offering of a substitute which was not germane to the bill reported and which proposed amendment had not been reported by a committee, and I say, respectfully, it does not lie well in the mouths of the advocates of the Patman bill to criticize other provisions of the rule when this House unanimously adopted the rule reported by the Rules Committee, going as far as it did to give the Patman bill every consideration.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. PATMAN. I am perfectly willing for the gentleman from Kentucky [Mr. VINSON] to be allowed to make his motion to recommit. I think this is in accordance with our understanding and I have no desire to deprive him of the opportunity, regardless of the rules.

Mr. O'CONNOR. That was the distinct understanding.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. I yield.

Mr. BLANTON. As to its not lying well in the mouths of the Patman bill supporters to raise the point of order, I call the attention of the gentleman from New York [Mr. O'CONNOR] to the fact that the House itself, by a roll-call vote of 202 for the Patman bill as against 191 for the Vinson bill, expressed its preference for the Patman bill over the Vinson bill, and the will of the House is supreme at all times.

Mr. O'CONNOR. I do not agree with the gentleman in his interpretation of what the vote yesterday meant. I do not believe the vote yesterday was directly on the Vinson bill. I am perfectly neutral in my position as to the two bills.

The rule does not do away with the motion to recommit. It extends it. Truly, as the gentleman from Texas has said, it might be possible, if the Speaker should recognize Members to do so, to have two motions to recommit to restore the Vinson bill, although this is not likely to happen, the Speaker is always so fair.

This entire matter was explained and thoroughly understood, and the entire House must have understood that a motion to recommit and substitute the Vinson bill would be in order, even though the Vinson bill had been disposed of, as it were, in the Committee of the Whole.

Mr. CONNERY. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR. Yes.

Mr. CONNERY. Not only that, but even if it were inconsistent, the House supported the rule and adopted it unanimously.

Mr. O'CONNOR. The House unanimously supported the rule which we brought in and made a thorough explanation of the situation. I therefore submit, Mr. Speaker, that the point of order should be overruled.

The SPEAKER. The Chair is ready to rule. The pending bill is being considered under a special rule which was unanimously adopted by the House before the bill was taken up for consideration.

It is true, as the gentleman from Texas suggests, that under the ordinary rules of the House only one motion to recommit would be in order. However, the Committee on Rules, after a very long and thorough consideration of the question before the House, and after what the Chair understands to be a general understanding among those for and

against either one of the bills, decided in the interest of fairness to propose a rule which permitted two motions to recommit.

While it has no bearing upon the ruling of the Chair, the Chair feels that every Member of the House, without regard to his position on this or any other bill pending, understood at the time the rule was proposed by the Committee on Rules, that it would enable the House to express its will with reference to these two bills. The rule was adopted unanimously, and it provided, "That if the instructions in such motion relate to the payment of World War adjusted-service certificates, they shall be in order, any rule of the House to the contrary notwithstanding."

Now, in view of the action of the House in adopting the rule, the Chair thinks, notwithstanding the fact that a vote was taken yesterday on the so-called "Patman bill" and a motion to reconsider laid on the table, it is in order to recognize a Member to offer the Vinson bill in a motion to recommit, even though it may involve a vote for the second time on the Patman bill.

The Chair therefore overrules the point of order.

The question is on the motion to recommit.

The question was taken; and there were—yeas 204, nays 207, answered "present" 5, not voting 16, as follows:

[Roll No. 32]

YEAS—204

Allen	Darrow	Kimball	Reed, N. Y.
Andresen	Dear	Kinzer	Reilly
Andrew, Mass.	Dempsey	Kloeb	Rich
Andrews, N. Y.	Ditter	Kopplemann	Richardson
Arends	Dobbins	Lambeth	Robertson
Bacharach	Doughton	Lehlbach	Robison, Ky.
Bacon	Doutrich	Lewis, Colo.	Rogers, Mass.
Barden	Drewry	Lewis, Md.	Romjue
Beiter	Driver	Lord	Russell
Biermann	Duffy, N. Y.	Lucas	Sanders, La.
Blackney	Eaton	Ludlow	Schaefer
Bland	Ekwall	McAndrews	Shanley
Bloom	Engel	McLaughlin	Short
Boehne	Englebright	McLean	Sisson
Boland	Farley	McLeod	Smith, Conn.
Bolton	Fenerty	McMillan	Smith, Va.
Boylan	Flesinger	McReynolds	Smith, W. Va.
Brennan	Flannagan	McSwain	Snell
Brewster	Focht	Maas	Snyder
Brooks	Ford, Miss.	Mapes	Spence
Brown, Mich.	Frey	Marshall	Starnes
Buck	Fuller	Martin, Mass.	Steagall
Buckbee	Gavagan	Mason	Sullivan
Buckley, N. Y.	Gearhart	Mead	Sutphin
Bulwinkle	Gifford	Merritt, Conn.	Taber
Burch	Goodwin	Merritt, N. Y.	Taylor, Tenn.
Burnham	Greever	Michener	Terry
Carden	Gregory	Millard	Thom
Carmichael	Gwynne	Mitchell, Ill.	Thomas
Carter	Halleck	Mitchell, Tenn.	Tinkham
Cary	Hamlin	Montague	Tobey
Casey	Hancock, N. Y.	Mott	Tonry
Cavichia	Harlan	Norton	Treadway
Chandler	Hart	O'Brien	Umstead
Chapman	Harter	O'Connor	Utterback
Christianson	Hartley	O'Day	Vinson, Ga.
Church	Hennings	O'Leary	Vinson, Ky.
Clark, Idaho	Hess	O'Neal	Warren
Clark, N. C.	Higgins, Conn.	Owen	Welch
Cochran	Hill, Ala.	Parks	West
Cole, Md.	Hobbs	Pearson	Whelchel
Cole, N. Y.	Hoffman	Perkins	Whittington
Collins	Hollister	Peterson, Fla.	Wigglesworth
Cooley	Holmes	Peterson, Ga.	Wilcox
Cooper, Ohio	Huddleston	Pettengill	Williams
Cooper, Tenn.	Igoe	Plumley	Wolcott
Cravens	Imhoff	Polk	Wolfenden
Crawford	Jenckes, Ind.	Powers	Woodruff
Crowe	Jenkins, Ohio	Ransley	Woodrum
Culkin	Kee	Reece	Young
Darden	Kenney	Reed, Ill.	The Speaker

NAYS—207

Adair	Caldwell	Cross, Tex.	Duffey, Ohio
Amile	Cannon, Mo.	Crosser, Ohio	Duncan
Arnold	Cannon, Wis.	Cullen	Dunn, Miss.
Ashbrook	Carlson	Cummings	Dunn, Pa.
Ayers	Carpenter	Deen	Eagle
Beam	Cartwright	Delaney	Eckert
Bell	Castellow	Dickstein	Edmiston
Berlin	Celler	Dies	Eicher
Binderup	Citron	Ellenbogen	Evans
Blanton	Coffee	Dirksen	Faddis
Bolleau	Colden	Disney	Ferguson
Brown, Ga.	Colmer	Dockweiler	Fernandez
Brunner	Connery	Dondero	Fitzpatrick
Buchanan	Costello	Dorsey	Fletcher
Buckler, Minn.	Cox	Doxey	Fulmer
Burdick	Crosby	Driscoll	

Gasque	Kleberg	Nichols	Secret
Gassaway	Kniffin	O'Connell	Seger
Gehrman	Knutson	Oliver	Shannon
Gilchrist	Kramer	O'Malley	Sirovich
Gildea	Kvale	Palmisano	Smith, Wash.
Gillette	Lambertson	Parsons	Somers, N. Y.
Gingery	Larrabee	Patman	South
Goldsbrough	Lea, Calif.	Patterson	Stack
Granfield	Lee, Okla.	Patton	Stefan
Gray, Ind.	Lemke	Pfeifer	Stubbs
Gray, Pa.	Lesinski	Pierce	Summers, Tex.
Green	Lloyd	Pittenger	Sweeney
Greenway	Luckey	Quinn	Tarver
Greenwood	Lundeen	Rabaut	Taylor, Colo.
Guyer	McClellan	Ramsay	Taylor, S. C.
Haines	McCormack	Ramspeck	Thomason
Hancock, N. C.	McFarlane	Randolph	Thompson
Healey	McGehee	Rankin	Thurston
Higgins, Mass.	McGrath	Rayburn	Tolan
Hildebrandt	McGroarty	Richards	Truax
Hill, Knute	McKeough	Robinson, Utah	Turner
Hill, Samuel B.	Mahon	Rogers, N. H.	Turpin
Hoeppel	Maloney	Rogers, Okla.	Underwood
Hook	Mansfield	Rudd	Wallgren
Hope	Marcantonio	Ryan	Walter
Houston	Martin, Colo.	Sabath	Wearin
Hull	Massingale	Sadowski	Weaver
Jacobsen	Maverick	Sanders, Tex.	Werner
Johnson, Okla.	May	Sandlin	White
Johnson, Tex.	Miller	Sauthoff	Wilson, La.
Jones	Monaghan	Schneider	Withrow
Keller	Montet	Schuetz	Wolverton
Kelly	Moran	Schulte	Wood
Kennedy, Md.	Moritz	Scott	Zimmerman
Kennedy, N. Y.	Murdock	Scrugham	Zioncheck
Kerr	Nelson	Sears	

ANSWERED "PRESENT"—5

Corning	Ford, Calif.	Kocialkowski	Lanham
Daly			

NOT VOTING—16

Bankhead	Dietrich	Johnson, W. Va.	Peyser
Claiborne	Fish	Kahn	Stewart
Crowther	Gambrill	Lamneck	Wadsworth
DeRouen	Griswold	Meeks	Wilson, Pa.

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BYRNS, and he voted "yea."

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth (for) with Mr. Stewart (against).
Mr. Wilson of Pennsylvania (for) with Mr. Lamneck (against).
Mr. Fish (for) with Mr. Gambrill (against).
Mr. Crowther (for) with Mr. Griswold (against).
Mr. Meeks (for) with Mr. DeRouen (against).

General pairs:

Mr. Bankhead with Mrs. Kahn.
Mr. Claiborne with Mr. Dietrich.
Mr. Johnson of West Virginia with Mr. Peyser.

Mr. COX. Mr. Speaker, I change my vote from "present" to "no."

Mr. SUMNERS of Texas. Mr. Speaker, I change my vote from "present" to "no."

Mr. OLIVER. Mr. Speaker, I am opposed to both bills. I do not want to be misunderstood. For that reason, I change my vote from "aye" to "no."

The result of the vote was announced as above recorded.

Mr. VINSON of Kentucky. Mr. Speaker, I ask for a recapitulation of the vote.

The SPEAKER. The Chair thinks the vote is close enough to require a recapitulation, and the Clerk will recapitulate the vote.

The Clerk recapitulated the vote.

On motion of Mr. PATMAN, a motion to reconsider the vote by which the motion to recommit was rejected was laid on the table.

Mr. TREADWAY. Mr. Speaker, I offer the following motion to recommit which I send to the desk and ask to have read.

The Clerk read as follows:

Mr. TREADWAY moves to recommit the bill H. R. 3896 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment—

Mr. TREADWAY (interrupting the reading). Mr. Speaker, the motion that I am making is to strike out and insert the so-called "Tydings-Andrews bill." I ask unani-

mous consent that the motion be not read, but that the bill be printed in the RECORD at this point.

The SPEAKER. Is there objection?

Mr. KENNEDY of New York. Mr. Speaker, I object.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 507 of the World War Adjusted Compensation Act, as amended, is hereby further amended to read as follows:

"All amounts in the fund shall be available for payment by the Administrator of Veterans' Affairs of adjusted-service certificates upon their maturity or the prior death of the veteran; for payment under section 502 to banks on account of loans to veterans; for the repayment of loans made by the Administrator of Veterans' Affairs out of the United States Government Life Insurance Fund on security of adjusted-service certificates, in which case the Administrator of Veterans' Affairs shall pay interest to such fund to date of maturity of the loan at the rate such fund is authorized to receive under the provisions of subdivision (m) of section 502, as amended; and for payment by the Secretary of the Treasury to veterans of the amount of the cash payment authorized to be paid by this act upon the surrender of their adjusted-service certificates."

SEC. 2. That title V of the World War Adjusted Compensation Act, as amended, is further amended by adding to the end thereof a new section to read as follows:

"SEC. 509. (a) At the option and upon the application of any veteran to whom there has been lawfully issued an adjusted-service certificate under the provisions of this act and upon the complete surrender of such adjusted-service certificate together with all rights and privileges thereunder (with or without the consent of the beneficiary thereof), the Administrator of Veterans' Affairs shall certify to the Secretary of the Treasury the amount of the maturity value, shown on the face of the adjusted-service certificate surrendered, discounted (at true discount) to January 1, 1945, at the rate of interest of 3 percent per annum, compounded semiannually, from the 1st day of the January or July (whichever is the earlier date) next succeeding the date of the filing with the Administrator of Veterans' Affairs of the application, less any indebtedness on account of any loan or loans made thereon under the provisions of this act and interest, if any, accrued to the date of the filing of the application with the Veterans' Administration: *Provided*, That for the purposes of this section, on and after January 1, 1932, the rate of interest charged on loans shall be 3 percent per annum, compounded annually, and any interest charged in excess of this rate shall be accordingly adjusted and taken into consideration in the amount certified.

"(b) No payment shall be made or bonds issued under this section until the certificate is in the possession of the Administrator of Veterans' Affairs, nor until all obligations for which the certificate was held as security have been paid or otherwise discharged.

"(c) If at the time of application to the Administrator of Veterans' Affairs for settlement under this section the principal and interest on or in respect of any loan upon the certificate have not been paid in full (whether or not the loan has matured) then the Administrator of Veterans' Affairs shall (1) pay or otherwise discharge such unpaid principal and so much of the unpaid interest (accrued or to accrue) as is necessary to make the certificate available for payment under this section and (2) deduct from the amount of any settlement the amount of such principal and so much of such interest, if any, as accrued prior to the date of filing of application with the Veterans' Administration to surrender such certificate: *Provided*, That as to loans on adjusted-service certificates, properly made, unpaid and held by a bank upon application for benefits in accordance with provisions of this section the bank holding the note and certificate shall, upon notice from the Administrator of Veterans' Affairs, present them to the Administrator of Veterans' Affairs for payment to the bank in full satisfaction of its claim of the amount of unpaid principal and unpaid interest, except that if the bank, after notice of application under this section, fails to present the certificate and note to the Administrator of Veterans' Affairs within 15 days after the mailing of the notice so to do, such interest shall be only up to the fifteenth day after the mailing of such notice.

"(d) Upon the filing of an application for benefits under this section the certificate and all rights and privileges thereunder shall be canceled.

"(e) A veteran may receive the benefits of this section by application therefor filed with the Administrator of Veterans' Affairs during the lifetime of the veteran. Such application may be made and filed at any time before the maturity of the certificate (1) personally by the veteran or (2) in case physical and mental incapacity prevents the filing of a personal application, then by such representative of the veteran and in such manner as may be by regulations prescribed by the Administrator of Veterans' Affairs. Application made by a person other than a representative authorized by such regulations shall be held void.

"(f) If the veteran dies after the application has been filed, the settlement authorized under provisions of section 509 of this act shall be made to the estate of the veteran.

"(g) Settlements under the provisions of this section shall not be made until 3 months subsequent to the date of its enactment.

"(h) The Secretary of the Treasury is authorized and directed, upon receipt from the Administrator of Veterans' Affairs of a

statement in a form to be prescribed by the Secretary of the Treasury, to issue, in settlement of the amount certified to be due, negotiable bonds, with coupons attached bearing interest at the rate of 3 percent per annum, payable semiannually, up to the highest multiple of \$50 represented in the amount certified. Such bonds shall be dated from the 1st day of the January or July (whichever is the earlier date) next succeeding the date of the filing with the Administrator of Veterans' Affairs of the application, and shall be redeemable in lawful money of the United States on January 1, 1945. The difference between the net amount certified as due and the amount represented by the bonds issued shall be paid by the Secretary of the Treasury by check drawn on the Treasurer of the United States: *Provided*, That for a period of 6 months from the date of issuance no bond issued under the authority of this act shall be negotiable or assignable or used as collateral security for a loan by the person to whom the bond is issued for any consideration less than the amount shown on the face of the bond as the redemption value; and any person or persons entering into any agreement, either on behalf of themselves or others, to procure by purchase, trade, or otherwise any bond in violation of this provision shall be guilty of a fraud and shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than 2 years, or both.

"(i) The Secretary of the Treasury is authorized and directed to redeem from the United States Government Life Insurance Fund all adjusted-service certificates held by that fund on account of loans made thereon, and shall pay to the United States Government Life Insurance Fund the amount of the outstanding liens against such certificates, including all interest due or accrued, together with such amounts as may be due under subdivision (m) of section 502, as amended. The Secretary of the Treasury, in making redemption of adjusted-service certificates from the United States Government Life Insurance Fund, is authorized and directed to make payment therefor by issuing to the United States Government Life Insurance Fund bonds of the United States which shall bear interest at the rate of 4½ percent per annum, and such bonds shall not be callable until the expiration of a period of 10 years from date of issue."

During the reading of the foregoing the following occurred:

Mr. RANKIN (interrupting the reading). Mr. Speaker, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be inserted in the RECORD at this point.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to dispense with the further reading of the motion to recommit, and that it be printed in the RECORD at this point. Is there objection?

Mr. KENNEDY of New York. Mr. Speaker, I object.

The Clerk concluded the reading of the motion to recommit.

Mr. PATMAN. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. PATMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 82, nays 319, answering "present" 5, not voting 25, as follows:

[Roll No. 33]

YEAS—82

Andrew, Mass.	Drewry	Lehbach	Robertson
Andrews, N. Y.	Duffy, N. Y.	Lewis, Colo.	Rogers, Mass.
Bacon	Eaton	Lewis, Md.	Russell
Biermann	Farley	Lord	Sisson
Bland	Ford, Calif.	McLaughlin	Smith, Conn.
Boehne	Gifford	McLean	Smith, Va.
Bolton	Goodwin	McMillan	Snell
Buck	Hancock, N. Y.	Mapes	Sutphin
Burch	Harlan	Martin, Mass.	Taber
Casey	Harter	Merritt, Conn.	Terry
Cavicchia	Hartley	Millard	Thom
Christianson	Hennings	Montague	Thomas
Cochran	Hess	O'Connor	Tinkham
Cole, N. Y.	Higgins, Conn.	O'Day	Tobey
Cox	Hobbs	Oliver	Treadway
Culkin	Hoffman	O'Neal	Utterback
Darden	Hollister	Perkins	Whittington
Darrow	Holmes	Pettigill	Wigglesworth
Dobbins	Huddleston	Plumley	Woodrum
Doughton	Kopplemann	Reed, N. Y.	
Doutrich	Lambeth	Rich	

NAYS—319

Adair	Ashbrook	Bell	Boileau
Allen	Ayers	Berlin	Boland
Amlie	Bacharach	Binderup	Boylan
Andresen	Barden	Blackney	Brennan
Arends	Beam	Blanton	Brewster
Arnold	Beiter	Bloom	Brooks

Brown, Ga.	Faddis	Lemke	Romjue
Brown, Mich.	Fenerty	Lesinski	Rudd
Brunner	Ferguson	Lloyd	Ryan
Buchanan	Fernandez	Lucas	Sabath
Buckbee	Flesinger	Luckey	Sadowski
Buckler, Minn.	Fitzpatrick	Ludlow	Sanders, La.
Buckley, N. Y.	Flannagan	Lundeen	Sanders, Tex.
Burdick	Fletcher	McAndrews	Sandlin
Burnham	Focht	McClellan	Sauthoff
Caldwell	Ford, Miss.	McCormack	Schaefer
Cannon, Mo.	Frey	McFarlane	Schneider
Cannon, Wis.	Fuller	McGehee	Schuetz
Carden	Fulmer	McGrath	Schulte
Carlson	Gasque	McGroarty	Scott
Carmichael	Gassaway	McKeough	Scrugham
Carpenter	Gavagan	McSwain	Sears
Carter	Gearhart	Maas	Secrest
Cartwright	Gehrmann	Mahon	Seger
Cary	Gilchrist	Maloney	Shanley
Castellow	Gildea	Mansfield	Shannon
Celler	Gillette	Marcantonio	Short
Chapman	Gingery	Marshall	Sirovich
Church	Goldsborough	Martin, Colo.	Smith, Wash.
Citron	Granfield	Mason	Smith, W. Va.
Clark, Idaho	Gray, Ind.	Massingale	Snyder
Clark, N. C.	Gray, Pa.	Maverick	Somers, N. Y.
Coffee	Green	May	South
Colden	Greenway	Mead	Spence
Cole, Md.	Greenwood	Merritt, N. Y.	Stack
Collins	Greever	Michener	Starnes
Colmer	Gregory	Miller	Steagall
Connery	Guyer	Mitchell, Tenn.	Stefan
Cooley	Gwynne	Monaghan	Stubbs
Cooper, Ohio	Haines	Montet	Sullivan
Cooper, Tenn.	Halleck	Moran	Sumners, Tex.
Costello	Hamlin	Moritz	Sweeney
Cravens	Hancock, N. C.	Mott	Tarver
Crawford	Hart	Murdock	Taylor, Colo.
Crosby	Healey	Nelson	Taylor, S. C.
Cross, Tex.	Higgins, Mass.	Nichols	Taylor, Tenn.
Crosser, Ohio	Hildebrandt	Norton	Thomason
Crowe	Hill, Ala.	O'Brien	Thompson
Cullen	Hill, Knute	O'Connell	Thurston
Cummings	Hill, Samuel B.	O'Leary	Tolan
Dear	Hoepfel	O'Malley	Tonry
Deen	Hook	Owen	Truax
Delaney	Hope	Palmisano	Turner
Dempsey	Houston	Parks	Turpin
Dickstein	Hull	Parsons	Umstead
Dies	Imhoff	Patman	Underwood
Dietrich	Jacobsen	Patterson	Vinson, Ga.
Dingell	Jenckes, Ind.	Patton	Vinson, Ky.
Dirksen	Jenkins, Ohio	Pearson	Wallgren
Disney	Johnson, Okla.	Peterson, Fla.	Walter
Ditter	Johnson, Tex.	Peterson, Ga.	Warren
Dockweller	Jones	Pfeifer	Wearin
Dondero	Kee	Pierce	Weaver
Dorsey	Keller	Pittenger	Welch
Doxey	Kelly	Polk	Werner
Driscoll	Kennedy, Md.	Powers	Whelchel
Driver	Kennedy, N. Y.	Quinn	White
Duffey, Ohio	Kenney	Rabaut	Wilcox
Duncan	Kerr	Ramsay	Williams
Dunn, Miss.	Kimball	Ramspeck	Wilson, La.
Dunn, Pa.	Kinzer	Randolph	Withrow
Eagle	Kloebe	Rankin	Wolcott
Eckert	Kniffin	Ransley	Wolfenden
Edmiston	Knutson	Reece	Wolverton
Eicher	Kramer	Reed, Ill.	Wood
Ekwall	Kvale	Richards	Woodruff
Ellenbogen	Lambertson	Robinson, Utah	Young
Engel	Larrabee	Robison, Ky.	Zimmerman
Englebright	Lea, Calif.	Rogers, N. H.	Zioncheck
Evans	Lee, Okla.	Rogers, Okla.	

ANSWERED "PRESENT"—5

Corning	Kocialkowski	Lanham	Reilly
Daly			

NOT VOTING—25

Bankhead	Gambrill	McLeod	Stewart
Bulwinkle	Griswold	McReynolds	Wadsworth
Chandler	Igoe	Meeks	West
Claiborne	Johnson, W. Va.	Mitchell, Ill.	Wilson, Pa.
Crowther	Kahn	Peyser	
DeRouen	Kleberg	Rayburn	
Fish	Lamneck	Richardson	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wadsworth (for) with Mr. Stewart (against).
 Mr. Claiborne (for) with Mr. Crowther (against).
 Mr. Fish (for) with Mr. Gambrill (against).
 Mr. Wilson of Pennsylvania (for) with Mr. Griswold (against).
 Mr. West (for) with Mr. Kleberg (against).

General pairs until further notice:

Mr. Bankhead with Mrs. Kahn.
 Mr. Bulwinkle with Mr. McLeod.
 Mr. Johnson of West Virginia with Mr. Peyser.
 Mr. Rayburn with Mr. Chandler.
 Mr. McReynolds with Mr. Richardson.
 Mr. Meeks with Mr. Lamneck.
 Mr. DeRouen with Mr. Igoe.

The result of the vote was announced as above recorded.

A motion to reconsider the vote by which the motion to recommit was rejected was laid on the table.

The SPEAKER. The question recurs on the passage of the bill.

Mr. PATMAN. Mr. Speaker, would it be in order at this time to ask unanimous consent to change the title of the bill?

The SPEAKER. That can be done after the bill is finally passed. The question is on the passage of the bill.

Mr. SNELL and Mr. PATMAN demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 319, nays 90, answered "present" 1, not voting 22, as follows:

[Roll No. 34]

YEAS—319

Adair	Ditter	Kelly	Ransley
Allen	Dockweller	Kennedy, Md.	Rayburn
Amle	Dondero	Kennedy, N. Y.	Reece
Andresen	Dorsey	Kenney	Reed, Ill.
Arends	Doutrich	Kerr	Richards
Arnold	Doxey	Kimball	Richardson
Ashbrook	Driscoll	Kinzer	Robinson, Utah
Ayers	Driver	Kloebe	Robison, Ky.
Bacharach	Duffey, Ohio	Kniffin	Rogers, N. H.
Barden	Duncan	Knutson	Rogers, Okla.
Beam	Dunn, Miss.	Kramer	Romjue
Beiter	Dunn, Pa.	Kvale	Rudd
Bell	Eagle	Lambertson	Ryan
Berlin	Eckert	Larrabee	Sabath
Binderup	Edmiston	Lee, Okla.	Sadowski
Blackney	Eicher	Lemke	Sanders, La.
Blanton	Ekwall	Lesinski	Sanders, Tex.
Bloom	Ellenbogen	Lloyd	Sandlin
Boileau	Engel	Lucas	Sauthoff
Boland	Englebright	Luckey	Schaefer
Boylan	Evans	Ludlow	Schneider
Brennan	Faddis	Lundeen	Schuetz
Brewster	Farley	McAndrews	Schulte
Brooks	Fenerty	McClellan	Scott
Brown, Ga.	Ferguson	McCormack	Scrugham
Brown, Mich.	Fernandez	McFarlane	Sears
Brunner	Fitzpatrick	McGehee	Secrest
Buckbee	Flannagan	McGrath	Seger
Buckler, Minn.	Fletcher	McGroarty	Shannon
Buckley, N. Y.	Focht	McLeod	Short
Bulwinkle	Ford, Miss.	McSwain	Sirovich
Burdick	Frey	Maas	Smith, Wash.
Burnham	Fuller	Mahon	Smith, W. Va.
Caldwell	Fulmer	Maloney	Snyder
Cannon, Mo.	Gasque	Mansfield	Somers, N. Y.
Cannon, Wis.	Gassaway	Marcantonio	South
Carden	Gavagan	Marshall	Spence
Carlson	Gearhart	Martin, Colo.	Stack
Carmichael	Gehrmann	Mason	Starnes
Carpenter	Gilchrist	Massingale	Steagall
Carter	Gildea	Maverick	Stefan
Cartwright	Gillette	May	Stubbs
Cary	Gingery	Mead	Sullivan
Casey	Goldsborough	Merritt, N. Y.	Sutphin
Castellow	Granfield	Michener	Sweeney
Celler	Gray, Ind.	Miller	Taylor, Colo.
Chandler	Gray, Pa.	Mitchell, Ill.	Taylor, S. C.
Chapman	Green	Mitchell, Tenn.	Taylor, Tenn.
Citron	Greenway	Monaghan	Thomason
Clark, Idaho	Greenwood	Montet	Thompson
Clark, N. C.	Gregory	Moran	Thurston
Coffee	Guyer	Moritz	Tolan
Colden	Gwynne	Mott	Tonry
Cole, Md.	Haines	Murdock	Truax
Collins	Halleck	Nelson	Turner
Colmer	Hancock, N. C.	Nichols	Turpin
Connery	Hart	Norton	Umstead
Cooley	Healey	O'Brien	Underwood
Cooper, Ohio	Hess	O'Leary	Vinson, Ga.
Cooper, Tenn.	Higgins, Mass.	O'Malley	Vinson, Ky.
Costello	Hildebrandt	Owen	Wallgren
Cravens	Hill, Ala.	Palmisano	Walter
Crawford	Hill, Knute	Parks	Warren
Crosby	Hill, Samuel B.	Parsons	Wearin
Cross, Tex.	Hoepfel	Patman	Weaver
Crosser, Ohio	Hoffman	Patterson	Welch
Crowe	Hook	Patton	Werner
Cullen	Hope	Pearson	Whelchel
Cummings	Houston	Peterson, Ga.	White
Daly	Hull	Pfeifer	Williams
Dear	Igoe	Pierce	Wilson, La.
Deen	Imhoff	Pittenger	Withrow
Delaney	Jacobsen	Polk	Wolcott
Dempsey	Jenckes, Ind.	Powers	Wolfenden
Dickstein	Jenkins, Ohio	Quinn	Wolverton
Dies	Johnson, Okla.	Rabaut	Wood
Dietrich	Johnson, Tex.	Ramsay	Woodruff
Dingell	Jones	Ramspeck	Zimmerman
Dirksen	Kee	Randolph	Zioncheck
Disney	Keller	Rankin	

NAYS—90

Andrew, Mass.	Duffy, N. Y.	Lewis, Md.	Russell
Andrews, N. Y.	Eaton	Lord	Shanley
Bacon	Fiesinger	McLaughlin	Sisson
Biermann	Ford, Calif.	McLean	Smith, Conn.
Bland	Gifford	McMillan	Smith, Va.
Boehne	Goodwin	McReynolds	Snell
Bolton	Greever	Mapes	Taber
Buchanan	Hancock, N. Y.	Merritt, Conn.	Tarver
Buck	Harlan	Millard	Terry
Burch	Harter	O'Connell	Thom
Caviechia	Hartley	O'Connor	Thomas
Christianson	Hennings	O'Day	Tinkham
Church	Higgins, Conn.	Oliver	Tobey
Cochran	Hobbs	O'Neal	Treadway
Cole, N. Y.	Hollister	Perkins	Utterback
Corning	Huddleston	Peterson, Fla.	Whittington
Cox	Kocialkowski	Pettengill	Wigglesworth
Culkin	Kopplemann	Plumley	Wilcox
Darden	Lambeth	Reed, N. Y.	Woodrum
Darrow	Lanham	Reilly	Young
Dobbins	Lea, Calif.	Rich	The Speaker
Doughton	Lehlbach	Robertson	
Drewry	Lewis, Colo.	Rogers, Mass.	

ANSWERED "PRESENT"—1

Sumners, Tex.

NOT VOTING—22

Bankhead	Griswold	Lamneck	Stewart
Clalborne	Hamlin	McKeough	Wadsworth
Crowther	Holmes	Martin, Mass.	West
DeRouen	Johnson, W. Va.	Meeks	Wilson, Pa.
Fish	Kahn	Montague	
Gambrill	Kieberg	Peyser	

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. BYRNS, and he voted "nay."

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Lamneck (for) with Mr. Clalborne (against).
 Mr. Stewart (for) with Mr. Wadsworth (against).
 Mr. Crowther (for) with Mr. Wilson of Pennsylvania (against).
 Mr. Kleberg (for) with Mr. West (against).
 Mr. Griswold (for) with Mr. Sumners of Texas (against).
 Mr. Gambrill (for) with Mr. Montague (against).
 Mr. Meeks (for) with Mr. Fish (against).

Additional general pairs:

Mr. Bankhead with Mrs. Kahn.
 Mr. DeRouen with Mr. Martin of Massachusetts.
 Mr. Carden with Mr. Peyser.
 Mr. McKeough with Mr. Holmes.

Mr. TINKHAM changed his vote from "aye" to "no."

Mr. KNUTSON changed his vote from "no" to "aye."

Mr. MONTAGUE. Mr. Speaker, I was temporarily absent and did not answer. If I had been present, I would have voted "no."

Mr. HAMLIN. Mr. Speaker, I was outside the Chamber and did not vote. If present, I would have voted "aye."

Mr. SUMNERS of Texas. Mr. Speaker, I voted "no." I am paired with the gentleman from Indiana, Mr. GRISWOLD, who voted "aye." I withdraw my vote and vote "present."

Mr. KEE. Mr. Speaker, my colleague, Mr. JOHNSON, of West Virginia, is absent on account of illness. He advises me that, while he favored the Vinson bill, had he been present on this occasion he would have voted for the measure just passed.

The result of the vote was announced as above recorded.

Mr. PATMAN. Mr. Speaker, I move to reconsider the vote by which the bill was passed and lay that on the table.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN. Mr. Speaker, I offer an amendment to change the title, which I am sending to the desk.

The Clerk read as follows:

Mr. PATMAN moves to amend the title by striking out the title and inserting in lieu thereof the following: "To provide for the immediate payment to veterans of the face value of their adjusted-service certificates, for controlled expansion of the currency, to extend the time for filing applications for benefits under the World War Adjusted Compensation Act, and for other purposes."

The amendment was agreed to.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days within which to extend their remarks on this legislation.

Mr. COOPER of Tennessee. Mr. Speaker, reserving the right to object, this permission was granted day before yesterday at the request of the chairman of the committee.

Mr. PATMAN. That was permission only for those who spoke on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DOBBINS. Mr. Speaker, my colleague the gentleman from Illinois, Mr. MEEKS, is unfortunately absent because of illness. He has asked me to announce that, had he been present yesterday, he would have voted against the amendment of the Vinson bill by the substitution of the Patman bill; that he would have voted today for the motion to recommit and substitute the Vinson bill, and would have voted in favor of the final passage of the bill in its final form.

Mr. BLANTON. Mr. Speaker, I wish to make a point of order with respect to the present parliamentary situation of one part of the bill, and in connection therewith I ask permission of the Chair to make a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. On yesterday, after the first section of the Vinson bill was read, as shown on page 4216, the gentleman from Texas [Mr. PATMAN] moved to strike out the first section and to insert his own bill as a substitute therefor, giving the usual notice that, in case his amendment carried, he would move to strike out the remaining sections of the Vinson bill.

Mr. VINSON of Kentucky. Mr. Speaker, a point of order.

Mr. BLANTON. I am making the point of order now.

Mr. VINSON of Kentucky. Mr. Speaker, I am making a point of order to the gentleman's point of order. My point of order is that the bill to which the gentleman's motion applies has been concluded and is history.

Mr. BLANTON. In connection with my point of order, I am asking the Chair a parliamentary inquiry.

The SPEAKER. The Chair will hear the point of order of the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, the Chair will find on this page 4216 of the RECORD for yesterday that the gentleman from Texas [Mr. PATMAN] moved to strike out the first section of the Vinson bill and offered his bill as an amendment in the way of a substitute, giving proper notice that if his amendment were adopted he would thereafter move to strike out all the remaining paragraphs of the Vinson bill. Nothing was said about striking out the preamble of the bill which preceded the first section, and it was not stricken out, although the gentleman from Texas [Mr. PATMAN] objected to the reading of the preamble.

The procedure I have outlined was followed. After the substitute of the gentleman from Texas [Mr. PATMAN], was voted upon and adopted by teller vote in the Committee of the Whole House on the state of the Union, as shown on page 4231 of the RECORD, the gentleman from Texas [Mr. PATMAN], asked unanimous consent that the remaining sections of the Vinson bill that preceded section 1 be stricken out, and that request was granted, and the remaining sections of the Vinson bill were stricken out, but the preamble, which preceded the enacting clause, was left undisturbed, and remained in the bill just preceding the enacting clause. No action whatever was taken by the House, or by the Committee of the Whole House on the state of the Union with respect to the preamble except, as before stated, the gentleman from Texas objected to its being read, as a preamble is never read. And, of course, unanimous consent is usually requested for the preamble to be stricken out, but as to this bill, no such request was made.

The parliamentary inquiry I desire to make is this: although it is not usual to leave preambles in a bill that is finally passed, yet the preamble to this bill is so apropos and was so well written in the bill introduced by our friend, the gentleman from Kentucky [Mr. VINSON], and it so well applies to the Patman bill that it should stay in, and not be stricken out, and I wish to ask the Chair whether or not the preamble could be stricken out except by unanimous consent, or by a motion passed by the House.

The SPEAKER. The Chair will state to the gentleman from Texas that the only way it can be done is by action of

the House. No action was taken by the House with respect to striking out the preamble, so it still remains.

Mr. BLANTON. And will remain unless it is stricken by unanimous consent or by motion.

The SPEAKER. Yes.

Mr. BLANTON. I think it should stay in the bill because it is so well written, and is so apropos and applies so well to the Patman bill, of which it has now become a component part.

Mr. VINSON of Kentucky. As I recall, it was while the gentleman from Texas [Mr. BLANTON] was taking one of his rare naps.

Mr. BLANTON. No; I never nap; I am wide-awake all the time, and that is the reason I am having this matter thoroughly understood now.

Mr. VINSON of Kentucky. It is very rare for the gentleman to be caught asleep at the switch, but as I recall it, the gentleman from Texas [Mr. PATMAN] made the point of order to the inclusion of a preamble in a House resolution, and the point of order was sustained. The preamble, of course, is very splendidly written; I wish I could take the credit for it, but it was done at a convention of the American Legion in Miami; and I hardly think that even the gentleman from Texas would want to retain a preamble of that organization which has been maligned so much by certain Members of the House. [Applause.]

Mr. BLANTON. Mr. Speaker, the RECORD will show no point of order striking out the preamble. And while we did not follow the few high officials of the American Legion in adopting their "officials' bill" which would have issued \$2,000,000,000 more of tax-exempt bonds for multimillionaires to use in evading all taxes to this Government, we did follow the men, the army of men, who belong to the American Legion, who wrote and framed that preamble at Miami, and we do not want their Miami preamble to go out. [Applause.]

The SPEAKER. After all, the RECORD will govern the matter. If it was stricken out, it is out.

Mr. BLANTON. The preamble was not stricken out; he made objection only to the reading of it.

The SPEAKER. Under those circumstances, of course, it will remain in the bill unless the House should determine otherwise.

Mr. FIESINGER. Mr. Speaker, I desire to announce that my colleague the gentleman from Ohio [Mr. LAMNECK] is absent on account of illness. Had he been here yesterday he would have voted for the Patman amendment; he would have voted "nay" on the two motions to recommit and would have voted "yea" on the final passage of the bill.

Mr. RANKIN. Mr. Speaker, on the point of order I desire to say, in reply to the gentleman from Kentucky [Mr. VINSON], that the American Legion not only approved the preamble but they approved the Patman bill, which we have just passed.

Mr. McFARLANE. And how!

Mr. RANKIN. Almost unanimously.

EXTENSION OF REMARKS—ADJUSTED-SERVICE CERTIFICATES

Mr. WOLVERTON. Mr. Speaker and Members of the House, there has been no question of national interest, in recent years, with respect to which there has been a more complete change of attitude, by a large portion of our people, than that of the immediate payment of adjusted-service certificates to World War veterans.

Notwithstanding that less than 2 years ago sentiment for and against the immediate payment of adjusted-service certificates was clearly defined and almost evenly divided, yet today the opposition has all but disappeared. The only question that now claims interest, or is the subject of debate, relates to how or by what means it shall be paid.

It is needless to say that this change of attitude is highly gratifying to me, as one of those who from the beginning has recognized the justice of the claim presented by our ex-service men for immediate payment of their certificates. It is equally unnecessary, in view of my interest in this matter, as shown by my vote in the past, to say that I will again, today, for the third time since I have been a Member of

this House, cast my vote in favor of the enactment of legislation to accomplish this justifiable end.

It is, indeed, unfortunate that at this time there should arise a difference of opinion between advocates for immediate payment as to the means by which payment should be made.

I am of the opinion that the plan which has been offered to enable payment to be made by the issuance of new currency, backed by the gold reserve in the Treasury of the United States, is preferable under conditions now existing to any other plan yet offered. Some of those who are opposed to this plan have sought to create prejudice by cry of "fiat" or "printing press" money. Yet, in fact, the plan is similar and identical in principle with that by which Federal Reserve banks have been and now are permitted to issue bank notes, and bears the stamp of approval of leading economists and financial experts who declare that such a plan will not disrupt or disarrange our financial structure, and that it is safe and sound. This is clearly indicated in the testimony given by Governor Eccles, Chairman of the Federal Reserve Board, at a meeting of the House Committee on Banking and Currency Thursday afternoon, March 14, 1935, when he was asked the following question:

Then, Governor, on the question of soundness, which, in your judgment, is the more sound, a Federal Reserve note, issued against United States bonds, or a United States note issued against certain gold reserve?

He replied:

I think they are equally sound.

It is this latter plan, to wit, "a United States note issued against certain gold reserve", that is the basic principle of the method of immediate payment to which I have referred as being, in my opinion, more preferable under present existing conditions to any other plan yet offered. The reply of Governor Eccles, Chairman of the Federal Reserve Board, leaves no doubt or uncertainty as to its soundness and is a complete answer to the opponents of such plan.

An outstanding advantage of the plan to which I have referred arises from the fact that it provides a means of payment that does not require the issuance of any additional tax-exempt, interest-bearing bonds. It will thus save to the Government approximately \$2,000,000,000 of interest money that otherwise would be paid out during the life of the bonds. Furthermore, the plan of issuing Treasury notes against the gold reserve in the Treasury not only gives a 100-percent security but creates a security greater than exists back of any Federal Reserve or national-bank note now in circulation. It also eliminates the necessity of withdrawing any funds from the Treasury, and consequently it neither creates nor increases a deficit. Thus is provided a means of payment that in no way increases the burden of taxation and yet provides payment of a debt due our veterans at a time when needed by the vast majority of them.

However, while I may prefer as a method of payment the plan to which I have referred, yet I am unwilling, by insistence upon that or any plan, to thereby make more difficult the immediate payment of the adjusted-service certificates to our veterans. The paramount issue is payment at this time. The particular method to be employed is immaterial, provided it is adequate and sound. No true friend of the veteran will permit himself to become involved in a controversy over methods that will prove detrimental to the veteran. Consequently, if some other plan than that to which I have referred should prove more acceptable to a majority of the House or Senate after conference is had between them, then I am ready and willing to give my support to such plan, provided it is, as I have already said, adequate and sound.

I do not intend to permit my interest in behalf of the veteran, in this important matter, to be diverted by an argument over whose name shall be attached to the legislation, or who shall have the credit. Veterans are in distress. Their need is great, and we should not permit anything other than the welfare of the veteran to determine our action in this matter.

This is a time of need, and as such justifies the immediate payment of the benefits of the adjusted-service certificates to veterans. To do so would be in accord with the spirit of the act of 1925, under which Congress provided adjusted-service compensation, although, under the language of the act, payment was limited to (1) in case of death, (2) in 1945, this latter being a time when the average age of a World War veteran would be 51 years. In both instances it will be recognized that a condition of need would probably exist. In the first instance because death has taken away the breadwinner of the family and the latter because advancing age makes it increasingly difficult to obtain adequate remunerative compensation. We are all familiar with the condition that makes it exceedingly difficult for anyone beyond 45 years of age to procure employment in any industrial establishment. Therefore, we can assume that Congress in the passage of the Adjusted-Service Certificate Act sought to provide help as these conditions of probable need should arrive in the life or death of veterans of the World War.

We must not overlook the fact that when the Adjusted Service Act was passed in 1925 our country was enjoying a fair amount of prosperity. For this reason there was no thought of need arising in any other manner than that provided for in the bill. Certainly, there was no thought that the time would ever come when such wide-spread distress would exist in America as we are now and have been experiencing for more than 5 years. The best evidence of this was the failure to include in the provisions of the bill any method by which a veteran could obtain a loan on his certificate in case need by any other cause should arise. Hence, the necessity for Congress to amend the act in this particular, so that loans might be procured by veterans in need arising as a result of the prevailing economic conditions affecting business, industry, finance, and agriculture. But unfortunately a rate of interest was fixed which when compounded and charged to the loan would leave but a few dollars coming to the veteran in 1945 unless he had repaid the loan. This, under present conditions, is impossible. Thus, unless the present legislation is passed, few veterans will get anything whatsoever even in 1945.

If the Government had dealt fairly in the matter of adjusted-service compensation, the debt would have been paid long ago, and instead of such not being due until 1945, as claimed by so many who have spoken against the bill, the fact is that on the basis the service was rendered in 1917-18, and with 6-percent interest from that time until the present, it was due in full on October 1, 1931. It is an overdue payment instead of a payment not yet due. And do not overlook the fact that a payment upon this basis is merely recognizing and applying a principle to soldier compensation that has already been acknowledged and applied by the Government to compensation and claims paid to others. It is not doing for the soldiers any more than has been done for civilians; and if a preference had been asked in behalf of our ex-service men, who more than they would be entitled to such consideration?

This bill is not selfish in character nor restricted in its benefits to a soldier class. Bear in mind that it will bring benefits not merely to approximately 4,000,000 ex-service men, but to their families as well, and will thereby touch approximately 20,000,000, or one-sixth of our entire population. And the benefits of this act will not stop even there. The money under this act will go into every nook and corner of our great country. It will be utilized to pay debts long past due, stop foreclosures, and provide health and the necessities of life for millions. In the expenditure of these funds the merchants, the banks, and small business men in every community will feel its beneficial effects.

It will mean the expenditure in the First Congressional District of New Jersey, which I have the honor to represent, of almost \$7,000,000. Of this amount the veterans of Camden County will receive \$4,826,728.56, and there will be paid to the veterans of Gloucester County \$1,354,442.26, and to those of Salem County \$704,634.42, making a grand total of \$6,885,805.24 that will enter into the channels of trade of the three counties comprising the First Congressional District of New

Jersey. And all of this may be without one cent of additional expense to the Treasury of the United States and without adding one cent to the tax burden of our people. In this connection, do not forget that the money so to be paid would not be wasted. Investigation conducted by the Veterans' Administration as to how and in what manner the moneys loaned on adjusted-service certificates had been expended revealed the fact that 93 percent had been used in discharging obligations, making worth-while purchases, and in other wise and judicious ways.

Therefore, in conclusion, this bill instead of being for the benefit of a favored few will result in beneficial effects that cannot be estimated and that will touch, directly or indirectly, practically all of our entire citizenship. And if this were not sufficient justification for favorable consideration being given to the bill, then let it be upon the basis of our discharging a national debt long past due for a quality of service that brought safety and security to our entire people.

Mr. FERNANDEZ. Mr. Speaker, under leave to extend my remarks, I wish to express my own views on the adjusted-service certificate, which is commonly called the "soldier's bonus", and matters relevant to veterans.

Mr. Speaker, it matters to me very little what bill I support, whether the Patman or the Vinson bill, providing for redemption of the adjusted-service certificate before its regular time of maturity in 1945, provided that bill will mean the immediate cash payment of the soldier's bonus. In my humble opinion, the Vinson bill does not mean that, because if the Vinson bill were enacted some method of payment must be agreed upon, and the issue would be thrown right back into the lap of Congress to provide ways and means of taxation or the floating of bonds to offset this expenditure of over \$2,000,000,000.

The Patman bill provides that each certificate is an obligation of the Government, and proposes that each veteran deposit his Government obligation and receive new money in United States notes in return for the remainder of his bonus certificate due, which will not create a new debt but merely allowing the veteran a method of facilitating payment of his debt by permitting the United States Government to manufacture new notes of currency, which we have been permitting bankers to do right up to the present time. The one thing, besides assuring immediate cash payment to the World War veteran of his bonus certificate, important about this Patman bill is the fact that by the United States itself issuing these new notes, our Government will avoid any interest payments that the floating or issuance of any bonds or Treasury notes will entail. It will be a debt once and for all "swept clean" of our national account.

Perhaps I am mistaken in my opinion that we should really employ some of the idle money as provided in the Patman bill and thus assure the soldier of the World War that, even after he gets his money, it will be worth the value he receives.

I think the real issue in this fight is to override a Presidential veto, and it looks as if some stronger crusading on the part of the veterans' organizations is going to be necessary to do this.

I would hate to pass some bill here in Congress, then 6 or 7 months later have to go back home and campaign for reelection and explain how it is that I voted for a bill and the soldier did not have any sight of ever getting his money.

If we embark upon a plan to pay out this bonus money over a period of a year or longer, and not all in the same relative space of a short time, or a few months, then we might be able to get by with a bill like the Vinson bill. If we are to pay out two and a half billions of dollars, which is practically half of all the currency we have in circulation today in the United States, within a relevant short period of time, you can imagine what may happen. That is the only chief concern as relates to the merit of the bill itself. The real issue is a Presidential veto which waits for any bonus bill, whether the Vinson or the Patman, and for any bonus bill a doubt looms in the other body for a two-thirds majority necessary to overcome a veto. I am 100 percent for the soldiers and their dependents. A study made by the Veterans'

Administration relating to the direction in which veterans expended money obtained through loans on their bonus certificates disclosed that 93 percent of this money went for subsistence and other useful purposes, and only 7 percent of that money was spent in such a way as to afford no practical benefit to the veteran or his family.

In Louisiana there are 53,885 bonus-certificate holders. If the face or maturity value of these certificates is paid in full at this time there will be a remainder due the veterans of Louisiana in the amount of \$27,849,762.05. Out of that total for Louisiana, the three parishes in the First Louisiana Congressional District which I represent would receive the following amounts for its World War veterans:

Orleans Parish	\$6,123,096.42
St. Bernard Parish	86,915.67
Plaquemines Parish	128,237.98

Let us pay our debt to the World War vet. The E. R. A. at the present time is taking care of many of these veterans who are capable of doing the work they want them to do on a work project in any community. Those on the E. R. A. would be relieved from this aid at least for sometime if given this money due on their bonus certificate. But that is just half the story. Consider the poor fellow who has been cut out of his disability allowance by the 1933 Economy Act and who has never been restored by law to the pension rolls. That poor fellow, because he is physically disabled, and even the veteran who cannot prove service connection—and what a job he has trying to prove it—cannot get on the relief rolls of the E. R. A. The result? Well, this type of veteran of any war, particularly the World War veteran, is unable to draw a pension or disability allowance or a monthly compensation; furthermore, the local E. R. A. tells him "you are not physically able to perform a day's work on our work project, therefore we cannot take care of you—it is up to private or community charity"; furthermore, the Civil Service tells him substantially this: "Our physical examination report finds you unfit to perform the services required for the position of postal clerk"—steward, inspector, or whatever the case may be. Thus, we find this particular type of unfortunate, who did don the uniform for Uncle Sam during the World War, and who sacrificed a \$50-a-week-or-more job for a \$30- or \$40-a-month job in the Army or Navy, today crying aloud, more than ever, to Congress for payment of their bonus. To these unfortunate patriots, we of Congress, owe them this gratitude, and should take further steps to provide more liberally for these men of war and their dependents.

Mr. PETTINGILL. Mr. Speaker, I have always favored paying the veteran of the World War the present value of their adjusted-service certificates. On the other hand, in a period of universal distress I have not been able to square my sense of responsibility to the country, and its taxpayers by voting to pay the future value in 1945, which is \$1,000,000,000 more than the present value.

In other words I have always favored paying the soldier a sum that would double his army pay, together with interest thereon at 4 percent compounded from the end of the war to date of payment.

In 1935 I would pay what we owe in 1935. I do not think we should ask the taxpayers to pay in 1935 what will not be due until 1945—in other words, pay 10 years' interest in advance.

If we were prosperous, if we did not have a huge national debt, if we did not have millions on relief, if taxpayers were not groaning under their load, to pay now what will be due in 1945 would be something the Nation could take in its stride. But, it cannot do so today.

To pay what is due at the date of payment is fair to the veteran; it is fair to the Nation, and it is fair to the taxpayer. I cannot be justly charged with being an "enemy" of the ex-service man to be willing at all times, even in the worst depression in our history, to pay him what is presently due. If that is not fair and right, nothing is fair and right.

For this reason I have voted in the committee and in the House for the substitutes, offered by Senator TYDINGS of Maryland and Mr. ANDREW of Massachusetts, both ex-service

men with distinguished overseas service records, and both of which substitutes embody the principle I have stated, a principle, by the way, which I strongly advocated before the Ways and Means Committee almost 3 years ago, on April 25, 1932.

It is a moral certainty that either of these bills, if passed by both the House and Senate, would be approved by the President of the United States and the soldier would be paid what is due him today.

These bills provide that either now or at any time before 1945 when the service man wanted to cash his certificate for its present value he could have every cent that is due him.

I regret, however, that certain Members seem to think that the soldier would rather have a "vote" than cash. The Patman bill passed the House in 1932. The soldier got the Congressmen's votes but no cash. The Patman bill again passed the House in 1934, and again the ex-service man got a "vote" but no cash. In 1935 the veteran gets another "vote." But if I understand the situation correctly, he will again get no cash.

I think the real friend of the veteran is the man who will vote for a measure that can become law, and not the man who votes for measures that cannot become law.

The veterans some day are going to appraise the votes of this House by actual results obtained and not by beating of breasts and loud protestations of friendship which get nowhere. In saying this I know many Members are perfectly sincere in thinking the veterans should be paid the 1945 value now. But their sincerity puts no money in pockets back home. Any bill to become law has to meet the approval of the Senate and the President as well as the House.

I am getting tired of passing the buck to the ex-service man. I prefer to be honest with him.

I hope that the Senate will agree to the Tydings or Andrews or some similar bill which the President can conscientiously sign without destroying the remaining credit of the Nation and that the House will then agree to accept it. Then the veteran can be paid what is now due him without increasing the present or future debt of the Nation.

I do not, however, favor paying a billion dollars that is not now due. To do so would make it still more difficult and perhaps impossible for the Nation to prevent actual destitution in millions of homes of both veterans and nonveterans and their wives and children.

This is no time to increase the burden on taxpayers by paying a billion dollars not due.

Mr. SANDERS of Texas. Mr. Speaker and Members of the House, in order to keep the RECORD straight, I wish to incorporate the views which I expressed in Report No. 384, which was made by the Committee on Ways and Means to accompany H. R. 3896, and in which I expressed by preference for H. R. 1. Of course, H. R. 3896 is known as the "Vinson bill" and H. R. 1 as the "Patman bill."

I am in favor of paying the adjusted-service certificates and have so voted in the House before. I am not opposed to H. R. 3896 but prefer H. R. 1 for the following reasons:

1. It will not require a bond issue or additional taxes to make the payment. Therefore no new debt will be created and the Budget will in no way be affected.
2. Our Government has sufficient gold to redeem all outstanding currency 100 cents on the dollar, pay the veterans \$2,000,000,000 in gold, and have remaining a billion dollars in gold, and in addition, about a billion dollars in silver. The Government has \$1.50 in gold and 20 cents in silver for every dollar outstanding.
3. The payment can safely be made according to the terms of H. R. 1, and without invoking a new principle or precedent for the issuance of money.
4. The bill provides for methods that will prevent inflation of the currency. Under its terms, the Secretary of the Treasury may cause to be retired Federal Reserve notes or national-bank currency in the event there is danger of an undue expansion of the currency, or in the event the price level rises above the 1921-29 average.
5. Our circulating medium, consisting of demand deposits and outstanding money amounting to \$200 per capita from 1926 to 1929, is now about \$150 per capita. The payment as suggested in H. R. 1 will restore \$16 per capita of this circulating medium that will be quickly and uniformly distributed into every corner of the Nation; additional purchasing power will be placed into the hands of those who will use it to buy goods.
6. The Government made a profit of \$2,800,000,000 on gold revaluation. This debt of \$2,000,000,000 can be paid to the veterans from that profit.

Mr. SCHULTE. Mr. Speaker, the debate which has been going on in the House for some time relative to the payment of the adjusted-service certificates, commonly called the "bonus", is now at its height.

The primary purpose of this discussion is to decide which of the two plans—the Patman cash-payment plan, or the Vinson plan to raise the \$2,200,000,000 owed to the veterans by issuing bonds—should be accepted by this body to discharge this obligation.

I have the highest regard for the gentleman from Kentucky [Mr. VINSON], who wishes to pay off this debt by issuing bonds, as I also have for Mr. PATMAN, the gentleman from Texas, who advocates payment of the bonus with cash from the United States Treasury. However, it is my thought that Mr. PATMAN's plan is the best, the most economical, and the method through which this money can be distributed with the least possible delay and red tape.

UNFAIR TO CHARGE TAXPAYERS BOND INTEREST

Owing to the fact that we have already passed a bill to appropriate \$4,880,000,000 to be spent on a huge public-works program—the money to be raised by issuing bonds—I feel that to saddle an additional \$2,220,000,000 bond issue on the country, as the Vinson plan is designed, is asking too much of the taxpayers at this time, when the money can easily be raised under the Patman plan, without the cost of a dollar to the Government. I believe every fair-minded citizen will agree with me that where this Government can save interest on bond issues that it is of benefit to the taxpayers that this be done.

ENOUGH GOLD IN THE TREASURY

There is ample gold and silver in the United States Treasury to back up the credit of the money spent by paying the bonus in cash, and, therefore, my friends, I am very much in favor of the Patman plan of payment of the bonus in cash. While a great many people will refer to this as "printing press money", the money paid to the veteran, under the Patman plan, will be the same kind, wording, color, size, form, and combination as the money you use every day.

It has been rumored that the President will veto the Patman bill, but there has been no assurance that the President would not have vetoed the Vinson measure if it had passed the House and Senate. Should the Senate concur in the House's action and pass the Patman bill and the President subsequently sign it, making it a law, I feel that the purchasing power of the Nation will be immediately restored or substantially so with the distribution of this huge sum, and that the people of this great country of ours will be on the high road to recovery.

RESTORE PURCHASING POWER

There is not a Member in this House who will deny but that the immediate need of the country today and the chief obstacle that is hindering our national recovery is the lack of purchasing power. The largest percentage of our citizens have no money with which to buy the necessities of life. That is why I feel that the cash payment of the bonus now is a question of vital importance, because it means the distribution of more than \$2,000,000,000, if the bill becomes a law, in the trade channels of this country. I would also like to point out the following other reasons how the Government would benefit by payment of the bonus at this time and by the Patman method:

SEVEN REASONS FOR BONUS PAYMENT

First. It will pay a just, honest, acknowledged debt of this Government to the veterans of the World War.

Second. The money owed to the veterans is a part of the public debt; payment of this debt now will reduce the national indebtedness, the total money expended for payment of the bonus, by more than \$2,000,000,000.

Third. Payment of the bonus now will save thousands of veterans from losing one-half of the value of their adjusted-service certificates, as most of the veterans have borrowed up to 50 percent of the cash-surrender value of their certificates. The great majority of these veterans have been unable to pay the interest on their loans, and the result is that by 1945 the interest charges will eat up the other 50 percent.

Fourth. The country will benefit by placing directly in the hands of the veterans more than \$2,200,000,000; this money represents real purchasing power. Every dollar will change hands many, many times, so that it will result upward to \$20,000,000,000 worth of business in this great country of ours. I am sure that every business man will admit that this is enough to place us far up on the road to recovery.

Fifth. The money used to liquidate the debt to the veterans will be sound money backed by the Treasury of the United States, which has more than enough gold and silver to issue the currency needed to pay the veterans.

Sixth. Payment of the bonus as set forth in the Patman plan will require no increase in taxes and no bond issue of any kind. The fact is the Government will save more than \$2,000,000,000 in interest, or \$112,000,000 a year for 12 years until 1945, when this debt to the veterans would normally have to be met.

Seventh. The Government will also be saved the sum of \$10,000,000 in administrative expenses between now and 1945.

WHAT MONEY WILL MEAN TO MY DISTRICT

There are 3,545,284 veterans in the United States today who hold adjusted-compensation certificates. Of these, 3,019,382 have already borrowed half of the face value of their certificates. The amount due the vets after deducting the amount of the loans is approximately \$2,200,000,000. Here is what the cash payment of bonus will mean to the First Congressional District of Indiana, which I represent: It will mean that more than \$2,000,000 will be distributed to the veterans of my district. Taking into consideration that this money will change hands at least eight times, it is simple to estimate the benefit the people will receive through the payment of the debt.

VETERAN NEEDS THE MONEY

We have embarked upon a program of national recovery with the payment of the bonus as the most important step in that program. It cannot fail. No man or woman can logically justify the failure of the Government to pay the debt due to the veterans at this time. There is plenty of money in the Treasury. The veteran needs the money and the Government owes it to him. The country needs purchasing power, and we are in a position to supply adequate purchasing power through the payment of the certificates.

VETERANS WILL GO "OVER THE TOP" AGAIN

By payment of the bonus now the veteran will again go "over the top" to save his country from economic ruin, just as he went "over the top" to save his country from physical ruin in 1918.

The bonus bill is not a relief measure for the veteran alone. It is a bill to bring relief to the entire country. It is a sure road to recovery.

Mr. BUCKLER of Minnesota. Mr. Speaker, I am pleased to arise at this time to support the payment of the adjusted-service certificates now held by the veterans of the World War. In doing this I am not only glad to do it as an individual Member of Congress but also as a member of the liberal progressive Farmer-Labor Party of the great State of Minnesota.

You all remember the hectic days of 1917-18, when the finest youth of our Nation marched away to defend this Nation. You all know the story of their suffering since that horrible conflict. Yes; you are all familiar with the legislation that was passed in 1924 which forced the service men to accept these so-called "bonus certificates." At that time there was money for the railroads, money for the war contractors, and money for anyone who had a claim against the Government. But when the Congress decided to consider the soldiers of the Nation, these men who wallowed in the muddy hell of a war, these men were told to wait until 1945 for their small adjustment. What a travesty on justice, what an un-American thing to do.

The people of my district have been keenly interested in this problem. For the most part they all want to see this bonus legislation passed. I am glad to show my cooperation by being a coauthor of the bill introduced by the distinguished Texan, Hon. WRIGHT PATMAN. I was the fifth

signer on the petition to bring this bill up for consideration on the floor of this House.

This bill will place in immediate circulation the sum of more than \$2,000,000,000. It does it in a perfectly sane and American way. It will give to the men who have defended this country real United States notes, backed by the resources and credit of the country. Some would cry "inflation." They are in the main the same group who howled so loudly for fear that we would go off the gold standard a few years ago. They are the same group who it appears are unwilling to have that provision of the Constitution which gives to the Congress the right to coin and regulate the value of money.

We all know that for years we have been paying tribute to the money crowd and to the international bankers. American agriculture and small business have been paralyzed. The wealth and the control of the wealth of the Nation has been taken over by a small group of individuals. Is it not high time we break this chain of bondage that has strangled the people of our country?

It is interesting to hear Members of the House decrying the fact that we are "saddling this Government currency on the soldiers." We who sent them to the hell of a war; we who saddled them with the most horrible war the world has ever known. Now are we to accuse them of a lack of understanding? The rank and file of the veterans in my State want the Patman bill passed. They know that WRIGHT PATMAN, the man who led the fight against Andrew Mellon, would never do a thing that would injure them or their country. They believe in his integrity and high purpose. To me this bill should be considered a badge of honor for every veteran to support and every Congressman to vote for.

Yes; I think the veterans will be proud of us. I am a practical dirt farmer. I know the problems of those that till the soil. I believe I understand the feelings of the great farm population of our land. They want this bill passed. The farmers have been driven to desperation over the condition of their business, that of agriculture. It was from the farms and humble homes of our Nation that the great majority of the soldiers and sailors came. It was to that part of our national life they returned after the war was over. But they have been shocked and burdened with hardships and distress under this man-made depression. Patiently they have carried the load. Silently they have just existed and watched their loved ones suffer. They want this debt paid. Shall we quibble over it? Shall we make pretty speeches and then send them back to wait and suffer more. My party, the Farmer-Labor, believes the principle that right must conquer might. This bonus payment will bring happiness to our people. I urge your earnest consideration of the bill. I am proud and thankful to have an opportunity to vote for it.

Mr. DOXEY. Mr. Speaker, there is very little that has been left unsaid concerning the payment of the veterans' bonus. Had I been a Member of Congress when the original law was enacted I would have then been in favor of paying immediately the bonus in cash. Since I have been a Member of Congress I have always favored and voted for the immediate payment of the veterans' bonus, and I shall continue to do so.

There is no question in my mind but what we will shortly here in the House pass a bill to this effect. What the final outcome will be as to the Senate's action in this regard, no one at this time is in a position to prophesy with any degree of accuracy. It appears now that, should any one of the pending measures pass both the House and the Senate at this session of Congress, it would likely be vetoed by the President. However, should the proposed legislation reach that stage any time soon, I am of the opinion that the House of Representatives will pass it over the President's veto. As to the Senate's attitude in this regard, I am not prepared to even venture an assertion. Most of us here, I am sure, would like to see the bonus paid at once, and we are doing what we can to bring that about.

From the beginning of my service in this House I have signed petitions and discharge motions, attended various conferences and caucuses, made speeches, worked for, and

cooperated in every way I could in an earnest effort to get the bonus paid.

I feel this bonus is a just obligation on the part of the Government to the veterans of the World War. It is a confessed debt, just, owing, and payable. The veterans need it, they are entitled to it, and, as it has not been paid up to now, it should certainly be paid immediately.

I appreciate the views of those who differ with me, and I accord to them the same privilege I reserve unto myself. However, regardless of the position you take, I believe we all agree that if the Government at this time pays the bonus it will not only help the veteran but it will benefit everybody. It will distribute practically \$2,000,000,000 that will go into every State, county, city, town, hamlet, and rural community of this Nation. It is estimated that there will be a turn-over of this money within the next 12 months of something like eight times. That means that this money will pay bills, provide for the necessities of life, purchase comforts for men, women, and children, create business, satisfy mortgages on homes and personal property, and in general make life more worth while. The statisticians say that the payment of the bonus now will cause this amount of money to do \$16,000,000,000 worth of additional business within the next year.

The best information obtainable from governmental sources in substance shows that 3,531,800 World War veterans now hold adjusted-service certificates as of December 1, 1934. The maturity value of these certificates is \$3,485,650,000, or an average of \$959.88 each. Since the law was enacted permitting veterans to borrow one-half of the face value of their certificates, 3,038,500 have borrowed \$1,465,000,000 on their certificates, not including interest after October 1, 1934. After deducting all loans, with interest to October 1, 1931, there is estimated to be owing to the veterans on their adjusted-service certificates \$2,015,162,456.76, which includes the amount due the ones who have not negotiated loans on their certificates.

In my own State—Mississippi—36,802 World War veterans will receive \$19,308,411.76.

The veterans of the 10 counties comprising the Second Congressional District of Mississippi that I have the honor and privilege to represent in Congress will receive the following amounts by counties:

Benton County.....	\$94,322.53
De Soto County.....	244,510.06
Lafayette County.....	192,028.54
Marshall County.....	239,040.83
Panola County.....	275,364.53
Tallahatchie County.....	341,879.62
Tate County.....	167,853.66
Tippah County.....	179,340.70
Union County.....	204,428.02
Yalobusha County.....	170,613.00

Total to veterans of Second Congressional District of Mississippi.....	2,109,381.57
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I maintain that this great country of ours can afford and should always reasonably take care of those who fought its battles and defended it in time of war. I say with you who oppose this measure, let us economize, I am ready and willing to practice and vote for economy in Government, but we have done that long enough at the expense of the veterans. I am not one who is willing to deny the deserving veterans, or their widows and orphans, that to which I feel they are justly entitled. The best dollars spent for adequate national defense, for which I stand, are the dollars of a grateful nation to its worthy defenders.

By our acts here, my colleagues, let us keep alive the spirit of fair play and just dealings with our fellow man, and in a measure at least, do in the year 1935 what should have been done immediately after the war—pay the bonus!

Mr. DORSEY. Mr. Speaker, there is nothing new to be uttered about payment of the so-called "soldier bonus." Everything has been said, and well said, for the past decade. But there is immediate and great need for saying it all over again, because whether or not we like the job, we of Congress are bill collectors for veteranism, and we must adopt the technique of that profession. This calls for iteration, reiteration, repetition, ding-donging, and thence more repetition.

In short, we are dunning for an adjustment acknowledged to be due the veteran, and we are asking that an I O U be paid immediately when the need of most of these ex-service men is great. If there be any among us who complain that this bonus matter is a perennial question, let me tell you that every person who is dunned for payment of a just debt is annoyed by the periodical visits of the collector.

No great number, yet too many of our unthinking citizens, look upon this adjustment to the veterans as governmental largess—a handout, extracted through veteran lobbies and veteran threats. Such people, of course, have not taken the pains to learn that it is an adjustment against the unholy profits and high wages which grew out of the cost-plus contracts of World War days. If their memories cannot take them back to those mistakes of war times, they will do well to study the recent testimony before the Nye committee of the Senate. There they will find disclosure of the millions paid to the executives of one large steel company, and this does tell us the story of large salaries and extra payments made to clerks, stenographers, and machine operators at the very time when soldiers were returning with a \$60 extra payment and the task of picking up the thread of life in a world that had changed for them.

Let me cite a case well known to me, and doubtless you gentlemen know of similar examples. No adjustment that the Government makes will compensate this man. He started as an office boy in a Philadelphia stocking mill and attended evening classes in a textile school. After 4 years' training he set himself up as a cotton-yarn broker and secured enough accounts to become pretty well established. By 1915 he was representing small southern mills and selling their product to textile plants in the Philadelphia district. He was prospering. Before he enlisted he asked the mills to keep him in mind and resume connection with him if he returned from service, and they all wrote him nice letters of promise and wished him godspeed.

He returned to find that they had forgotten him and had made other affiliations which they would not change. His \$60 would not pay more than 1 month's office rent, so he took a job selling soap. He has never returned to the textile business for which he was especially trained at some expense and considerable sacrifice. Had he remained at home he would have become wealthy, for his line was very active during the war. Do you think the Government's \$1,200 adjustment squares the account with this man? Do you believe he feels he is accepting largess when he takes the adjustment? And is it your opinion that the Bethlehem Steel Corporation should be paid off promptly in cash while this man takes an I O U, payable in 1945? This case is typical of a considerable segment of veterans who were thrown out of stride in their life work and no adequate adjustment will ever be made for them. What the adjusted-compensation certificates attempted to square was the difference between the dollar a day the soldier received and the fancy wages plus extras the stay-at-homes were receiving.

Veterandom has pointed to the injustice of this situation and Congress after Congress has acknowledged the fairness of the claim. Let it be said of the veterans that they have not complained without suggesting a remedy. Like the good physician, they have diagnosed and then prescribed. They tell you that the condition which brought on the bonus is the cost-plus contract, and they prescribe the McSwain bill for taking the profit out of war to prevent a recurrence of the condition. No selfish group, thinking only of a hand-out, would be so intent upon setting up a remedy for future use.

I have little patience with the constant argument that we cannot afford to pay this adjustment. That contention began when Secretary Mellon, pleading poverty, persuaded President Harding to veto an adjustment bill. Shortly thereafter the Secretary boasting displayed a large surplus. That was in a period when big business was god and we small individuals had little access to the high councils. We could not afford to pay, they said, and we still hear the echo of it. I say that we can ill afford not to pay. Our national credit is affected by our indebtedness, it is true. But there is an internal credit, not posted on the exchanges, but in the hearts of our citizens, which is affected by how we

treat an acknowledged indebtedness to the men and women who served in a great national emergency. A new generation will fight our next war and it is more observing than you imagine how this Nation has viewed the debts of industrialists and the debts to the combatants.

If the contractor is paid off by 1920, and the veteran must wait until 1945, it can in all truth be said that our Republic is ungrateful. It is far from heartening to the youth of this land to observe a nation which thanks its soldiers, sailors, marines, and war nurses and then asks them to go to the end of the line that forms at the paying teller's window. It is time that we took that sign down from the teller's window which reads: "Closed to veterans—will reopen in 1945." Gladstone well said: "Justice delayed is injustice." Our veterans hold Government I O U's and they are doing what anyone does who holds an I O U and is broke. They are asking for immediate payment. Let the Congress be done with this job of bill collector for veteranism. The debt is acknowledged; let it be paid. Because the Patman bill really provides the means for payment, let us favor that measure. Then we will do well to study the hook-up between this adjustment and the McSwain bill (H. R. 5529) for taking the profits out of war. Let us extract our lesson from the mistakes of the past, and profit by them in future emergencies.

Mr. HOBBS. Mr. Speaker, I favor the immediate payment of the bonus, plus interest at 4 percent compounded annually from the day of the armistice, November 11, 1918; and I favor an additional new bonus of \$206,000,000 by rebating the accrued interest which the veterans have contracted to pay the Government on money borrowed against their adjusted-service certificates.

This is more than fair. It is generous. We would thus be giving them over \$200,000,000 more than they are entitled to receive under the law which was passed by the Congress in 1924 with their hearty approval and at their request. The rebate of this interest the veterans agreed to pay seems justifiable because the money loaned them was, at least in a sense, theirs. These loans may reasonably be regarded as partial payments on account, in reduction of the amount of a valid obligation, though not due.

Of course the veterans are not entitled to receive any part of the balance remaining unpaid of their adjusted-service certificates at this time. There can be no question as to what the adjusted-service certificates are, nor how the amount of each certificate was arrived at. They were issued in pursuance of the World War Adjusted Compensation Act of 1924, part of which reads as follows:

The amount of adjusted-service credit shall be computed by allowing the following sums for each day of active service in excess of 60 days in the military or naval force of the United States after April 5, 1917, and before July 1, 1919, as shown by the service or other record of the veteran: \$1.25 for each day of overseas service and \$1 for each day of home service; but the amount of the credit of a veteran who performed no overseas service shall not exceed \$500 and the amount of the credit of a veteran who performed any overseas service shall not exceed \$625.

It was agreed and provided by law that this bonus be made the basis of the adjusted-service certificates, which should each be the equivalent of a paid-up 20-year endowment insurance policy. To the amount of the adjusted compensation 25 percent was added to cover the interest thereon from the date of the discharge of the veteran from the service to the date of the passage of the act. The Director of the Veterans' Bureau was ordered to issue, without cost, to each veteran a paid-up nonparticipating 20-year endowment insurance policy called an "adjusted-compensation certificate" for the amount that the veteran's adjusted compensation, plus this 25 percent, would buy at the veteran's attained age, in accordance with accepted actuarial principles, and based upon the American Standard Experience Table of Mortality, plus interest at 4 percent compounded annually. This was, of course, done, and the face value of these certificates include 20 years' interest from the time the certificate was issued. Most of these certificates were issued in 1925. Hence the prevalent erroneous assumption that they all will mature in 1945. As a matter of fact, however, many of them were issued long after 1925,

some having been issued within the last few months, and at least one on January 1, 1935. This one will not mature until 1955.

These certificates are not bonds bearing interest on their face values, and which may be converted into cash whenever the holder sees fit. They are single-payment insurance policies, on which the service of the individual veteran paid the premium, but which do not mature—that is, attain their face value—until the 20 years of compound interest accumulation, plus the original cash credit and less a small insurance cost for 20 years, equals the face value. This result will be accomplished 20 years after the date of the issuance of each certificate, and not before.

Many veterans and other citizens honestly believe that the face value of these certificates and the cash value are one and the same thing. They apparently do not understand that the face value of these certificates has included in it 4-percent interest, compounded annually for 20 years, up to the date when the payment of the certificates was fixed by law to be made. Another feature of these certificates which is frequently overlooked or misunderstood is that the face value of each certificate is payable immediately in case of the death of the veteran holding the certificate. I hate to deprive the dependents of the ex-service man of this valuable insurance right. But since practically all of them, and the accredited organizations speaking for them, now demand the immediate payment of the bonus—I assume with full realization that if this be done it will extinguish this valuable insurance right—I am perfectly willing to accede to their request. Since they want their certificates cashed now, I am glad to vote that they be paid the full present value of their certificates, and in addition I am heartily in favor of wiping out the interest charged against them for the money they have borrowed on their certificates, although they agreed in perfect good faith to pay this interest.

Of course, the amount due them, if these certificates are to be cashed now, is the original amount of each certificate, and since it was for services performed prior to the date of the armistice, November 11, 1918, I am perfectly willing to add to the adjusted compensation interest at the specified rate of 4 percent and compound it annually from Armistice Day, 1918, up until the date of payment. In addition to this I am in favor of releasing them from their voluntarily assumed obligation to pay interest upon the sums borrowed against these certificates. This is in effect adding to what is really due—fixing the amount at the present value of their certificates—a new and additional bonus of \$206,000,000 of accrued interest.

In spite of the fact, which seems to me indisputable, that this is what the veterans are entitled to today, and more, both the Patman and Vinson bills provide for the payment now not only of what is now the present value of the certificates, and not only this second bonus of \$206,000,000, but also, and in addition thereto, another thousand million dollars. A third bonus of over a billion dollars—some estimate it as high as sixteen hundred million dollars. In other words, the Patman and Vinson bills provide for the payment of the unearned interest on the amount of the adjusted compensation for the remainder of the 20-year period just as though all of the certificates had run for the full period of 20 years and had been fully matured by the accumulation of the compound interest for that length of time.

These bills camouflage the issue. If we wish to double the bonus we first agreed to give the veteran, then let us be frank enough to say so, fairly and squarely, in a separate bill which could then be considered on its own merit. But to tie this proposal in with the entirely reasonable demand that what is now due under the original bonus bill be paid is to hide a stowaway in the fuselage of a supposedly one-passenger plane.

These bills also create a mirage of false hope. No well-informed person believes either has a chance to become a law. There is no water in either well. It is practically a certainty that one or the other of these bills—probably the Patman—will pass the House. But the Patman bill has twice before been passed by the House. Never have its friends been able to muster more than 31 votes for it in the

Senate. Each bill is opposed by the President. If either one should be passed by the Senate, after having been passed by the House, it would be vetoed, unquestionably. It is utterly unreasonable to think, therefore, that either bill could receive the necessary two-thirds vote of the Senate to override the President's veto.

If we really want to pay the veterans now—and I do, since they ask it—then let us pass a bill which can also pass the Senate and which will be approved by the President. There are several such bills now pending. Any one of the McReynolds, Cochran, or Andrews bills would accomplish the desired end with justice to all and would in all probability be approved by the President.

None of these bills would require any increase of taxes.

None of these bills casts an added burden on the Treasury.

None of these bills is subject to the criticism that it would require inflation.

Personally, I favor the McReynolds bill, plus the \$206,000,000 interest-charge elimination. I shall be glad to cooperate with all those of similar mind on this subject, and work and vote to accomplish the passage of some such sound, fair, generous settlement of this vexed issue.

Let us stand by our great pilot, whose strong and steady hand is guiding the Ship of State through the tempestuous seas, which but for him would have engulfed us. His heart is big enough to include us all within the scope and compass of his mighty sympathies. His sources of information are dependable, unbiased, and far superior to those available to any of us. His mind is great enough to grasp and fathom the deepest implications of this problem. Let us not rock the boat, but follow his sympathetic, informed, able, and courageous leadership.

Mr. LLOYD. Mr. Speaker, life would be a sorry chapter if we could not learn some lessons from the pages of the past. Some of us may remember that when Themistocles was the virtual dictator of ancient Greece and after he had levied tribute upon the provinces, he finally came to the Isle of Andros. Landing with his troops, Themistocles conferred with the elders of the isle, and demanded tribute. During that conference, he is reputed to have said:

"We have brought with us two great goddesses; one is named 'Persuasion' and the other 'Force.'"

One of the elders replied:

"Themistocles, we, too, have two great goddesses even more powerful than your own. One is called 'Poverty' and the other 'Impossibility.'"

And so, down the long train of ages poverty and impossibility have ever stood as the formidable opponents of persuasion and force.

I disagree with those gentlemen who urge that the only objective to be attained is justice to the veteran. All important as that objective may be, it is not the only hill to be taken nor the only woods to be penetrated; for, in the last analysis, the problem of the veteran is the common problem of all the people. If you can bring back to the American people a purchasing power, if you can bring back to a poverty-stricken people a modicum of prosperity, I fancy the veterans will be able, in a large measure, to solve their own problems and meet their own individual difficulties. The end to be attained, the objective to be reached, the thing to be accomplished is to revive business and to enable the people to again set forth upon the road to prosperity in private business.

Let us inquire of ourselves what is the real cause of all of this depression that has been abroad in the land for the past 5 years and over. In 1926, the commodity dollar was worth 100 cents in terms of universal commodity. They may talk about the circulation of actual money not being an index to prosperity, but those who do so speak forget the fact that actual money has never been the sole medium of exchange of our people. Since 1926 our liquid bank credits, that were used as money, have disappeared to the extent of over \$40,000,000,000 and with this shrinkage in our medium of exchange, money and what was used for money has become more and more scarce until the commodity dollar in terms of commodity has risen to the high

point of 203 cents. This means that the man who borrowed a thousand dollars in 1926 had to pay, if he paid his debt, in 203-cent commodity dollars; in acres of land, if he sold his land; in hours of labor, if he sold his labor; in bushels of wheat, if he sold his wheat; in bales of cotton, if he sold his cotton, \$2,030, which is a condition that neither he nor his creditor contemplated at the time they made the transaction.

Oh, they speak of the dangers of inflation, they speak of the rubber dollar, they speak of the 50-cent dollar, and we may grant that the 50-cent dollar is not an honest dollar, it never was and it never will be, but neither is the 200-cent dollar an honest dollar any more than is the 50-cent dollar. The very power to inflate implies the power to deflate. There would not need to be an inflation had there not already been a deflation of our medium of exchange, and an undue inflation is no more dishonest and no more evil in its effect than is an undue deflation.

Perhaps I can illustrate, and I do not want to seem facetious, for this is a serious problem that confronts the Nation, but when they speak of the dangers of inflation and the dishonesty of inflation, forgetting the dangers and dishonesty of deflation, I am reminded of old Bill Donaldson, who was a frontier surveyor in my boyhood days in Kansas.

Bill knew little about surveying and had no instruments of exact measurement, but he was the only surveyor and he did the best he could, so he cut himself a rawhide thong and tied the ends to each ankle so that his steps measured as nearly as possible 3 feet. Then he proceeded to step off the land. In the morning, when the dew was on the grass, the rawhide thong became wet and stretched to undue proportions, but as the afternoon sun dried it out it shrunk to far less than its normal length of 3 feet so that the man who had his land measured in the morning got more than his allotted portion, but the man who had his land measured in the afternoon received far less. Neither was correct, neither was honest; one was inflation and the other deflation.

It is unfortunate that we cannot have an exact medium of exchange based upon the relative value of commodities from year to year. It is unfortunate that Congress has not assumed the burden the Constitution has imposed upon it not only to coin money, but to regulate the value thereof, but we do know that for the present it is impossible for the people of this country to pay their debts until we increase the medium of exchange and bring up commodity prices to the point where the commodity dollar may reach its true value of 100 cents.

Let me put the situation in another way: In 1926 we had national assets of \$391,000,000,000. That represented every acre of land, all the stocks of goods upon the shelves, all the wheat and corn and cotton and coal and iron and oil, and every commodity within the confines of the United States. At the same time we had internal debts amounting, according to the various estimates, of between two hundred and nine and two hundred and forty billion dollars, so that we were then solvent. We had \$391,000,000,000 with which to pay, say, the lesser sum of approximately \$210,000,000,000, and there was a little left over by way of equities for those who had labored and produced.

Along came the depression, with the wiping out of our liquid bank credits, with the growing scarcity of money, with the consequent rise and doubling in the value of our commodity dollar until, we are told by those who have carefully examined and computed the Nation's wealth, our assets have depreciated in terms of dollars by \$200,000,000,000, leaving \$191,000,000,000 with which to pay \$210,000,000,000, and it cannot be done.

If the creditor class—and I do not like to speak of classes—but if those to whom the debts of the people of this Nation are owing should foreclose upon every mortgage and sue upon every debt, and issue execution upon every judgment, and take over to themselves everything of value within the confines of the United States, they would still be short nearly \$20,000,000,000, enough to satisfy their claims—if they had impoverished and pauperized all of the borrowing class, which includes the men who do the business and carry on the industry of this Nation.

You may curtail production and temporarily raise prices of one or more commodities, but you cannot increase wealth by destroying the wealth of this Nation. You cannot enable the people of this country to pay their debts by destroying or curtailing the production of the wealth with which they would pay. You can only enable them to pay their debts by increasing the medium of exchange to approximately what it was when the commodity dollar was at its normal value of 100 cents, when most of these debts were contracted.

They speak of an uncontrolled inflation of the currency. This Patman bill provides, in my judgment, for a controlled expansion of the currency. We may have to find other means for a further expansion if this proves insufficient, but reason and good sense must guide and determine the action of a Congress in carrying out the mandates of the Constitution to regulate the value of this Nation's currency. Failing in that, all the bonds and all the mortgages and all the debts will fail to realize their value in terms of dollars. You may seek redress in the courts, you may bring all the power of government to aid the holders of the securities of this Nation, you may call upon the twin goddesses, Persuasion and Force, but unless you give to these people a medium of exchange sufficient to meet their obligations those sullen, silent goddesses, Poverty and Impossibility, will continue to guard the gates of necessity.

Mr. FENERTY. Mr. Speaker, throughout the years since the World War, and repeatedly during my campaign for election to this House, I have consistently emphasized my belief that the bonus should be paid without delay to the veterans of the World War. I have not changed my belief, and I now gladly cast my vote for the immediate payment of the adjusted-service certificates.

There has been much dispute as to the method by which these certificates should be paid. The inflationists favoring the Patman bill contend that the \$2,000,000,000 necessary for this purpose should be paid in printing-press money. The World War veterans who are sponsoring the Vinson bill ask that the bonus be paid in cash in the ordinary way, and they make no demand upon Congress as to the manner in which the funds may be raised. While I have my own views as to which of these methods is preferable and will result in final payment, I wish now to state that the question as to whether the Vinson or the Patman group be successful in the preliminary votes as to the method of payment can make no difference as far as my vote in favor of the bonus is concerned. The correspondence I have received from voters in my district indicates that an overwhelming majority of the veterans are in favor of the American Legion's bill, introduced by Mr. VINSON. There are some, however, who seem to favor the inflation bill introduced by Mr. PATMAN. But I really believe that the veterans are not so much interested in the method of payment as they are in the speedy and immediate cash payment of what is justly due them. The names of the Vinson bill or the Patman bill in themselves are not important to the veteran who is awaiting justice from a tardy Government. The veterans want payment, prompt payment, without further bickering or vetoes or delay, and, in my opinion, the veterans should get it. For this reason I would just as readily vote for any one of these bills that will truly guarantee to the veterans of the war the payment that they have so fully earned and which they now so vitally need.

It has appeared in the newspapers that the President is opposed to the Patman inflation bill and that he will refuse to sign it. If this be so, it is unfortunate for the veterans; but, even if the President be opposed to the payment of the soldiers' bonus, I for one shall vote to pass the bonus over his veto. I hope my colleagues in this House will similarly do so.

Those who favor the American Legion-Vinson bill have unanimously expressed the opinion that the inflationist Patman bill will place the millstone of inflation around the neck of the veteran and thus prevent the passage of the bill when it reaches the Senate. I hope this will not happen, although I would prefer to see the veterans' worthy cause standing alone, as it deserves to do, instead of being bound up with the theories of those who are for inflation first and last and only incidentally for the bonus and the veteran.

I believe that if we are for the bonus we should pay it without any strings tied to it.

It is nearly 20 years since the World War ended. After we returned from France the Government settled its debt in cash with everyone except the boys who had won victory for the Nation. Railroads, manufacturers, clerks, shipyard employees, all received cash for their services and were promptly paid. But the soldiers and sailors who fought to make the world safe for democracy were forgotten. Year by year hundreds of them are passing from our midst, leaving wives and children and other dependents without adequate means for the sustenance of life.

The least that the Congress should do today is to pass this bonus bill, so that, late as it is, the veterans shall at last know something of the gratitude which the Nation bears toward them. The bonus is long overdue. It should be paid at once.

Perhaps the President will attempt to prevent the payment of the bonus. Perhaps the inflationists will eventually defeat the will of the soldiers and cause the bonus to die under the weight of currency inflation. But, as I said a few moments ago, I have stood with the soldiers for over 10 years in their demand for justice. I shall support the cause of the veteran today. I care not what bill is before the House. I am for any bill that will give the veteran his just payment. It is, therefore, with great pleasure and satisfaction that I plead the cause of my war comrades and now cast my vote for the immediate payment of the soldiers' bonus.

Mr. LUDLOW. Mr. Speaker, I can state in a few words why I intend to vote this afternoon to pay to the veterans of the World War in cash the face value of their adjusted-service certificates.

As a Member of Congress I do not think I would be alive to my responsibilities or worthy of the high official station to which I have been called if I were not only willing, but eager, at all times and in every circumstance to vindicate the principles of justice.

I believe that payment of the adjusted-service certificates at this time is nothing more, and nothing else, than justice to the veterans who were deliberately adjudged by Congress 11 years ago to have an unpaid balance in their favor for services rendered.

"But", says someone, "it was not intended that the debt should be paid until 1945. To pay it now is irregular."

Perhaps that is so. Perhaps it is irregular to pay the veterans 10 years in advance of the time stipulated in the bond. But that is not the only irregularity connected with the World War. It was irregular to rip our fine young men from their homes and their loved ones and throw them into the hell of a foreign war. It was irregular to force these fine Americans to take up arms to kill people 3,000 miles away, whom they had never seen and whose tongue they did not speak. It was irregular to compel our boys to be wounded and gassed and shell-shocked and crazed by the bodily and mental tortures of war's inferno. All of that, too, was irregular, and God forgive me if I ever raise the cry of "irregularity" as an argument against the payment to the veterans of a small per capita amount which is intended to level down just a little way the glaring difference between the rich harvest reaped by swivel-chair war profiteers during the World War and the mere pittance paid to the men who endured all of the suffering of the trenches and the battlefields, many of whom came home pathetically broken in body and in mind.

Let each one of us place himself in the position of a veteran to whom the Government owes this acknowledged debt. If a man owes you a sum of money and you know he is able to pay; if you are starving and your wife is sick and your children are crying for food; if you have no money with which to buy fuel and no clothes with which to keep warm; if in these circumstances the man who owes you says, "I could settle with you, all right, but the money is not due yet and it would be irregular to pay you", I am sure you would have as much bitterness in your heart as any veteran has this day, because he cannot cash his bonus certificate

to keep his family from starvation. You would think that there is no such thing as justice in the world.

I do not concede that the debt is not due. The Government settled, fully and handsomely, with the munitions manufacturers and war profiteers at the close of the war, but it was not until 6 years later that the soldiers were granted their adjusted-service certificates. If compound interest were allowed on the adjusted-service compensation of the veterans dating back to the war, on the same basis as the settlement allowed those who did not go to war but reaped the profits of war, the adjusted-service certificates would now be nearly or quite due.

In these awful times of depression and enforced idleness, caused by the backwash of war, the veterans need their bonus money perhaps more than they ever will need it again. I am speaking now of the masses of veterans. Of course, there are some exceptions. A rich man in a letter assailing the bonus bill wrote to me:

I have two sons, and they are not asking for their bonus.

I could not help feeling a sense of shame for this man when I recalled that each one of his sons is worth perhaps half a million dollars. Of course, they are not asking for their bonus, but there are thousands and thousands of veterans who, under the spur of stark, abject necessity, are asking for theirs, and it is my privilege to give them a helping hand. "Ye shall reap as ye sow" is as true today as it was 2,000 years ago. We cannot have wars without paying the staggering costs of war. I will economize along other lines until it hurts, and I will vote to scrap a large part of our spending program, but I will never deny justice to the deserving veteran. The cry of "irregularity" makes no appeal to me, for justice outweighs it a thousandfold, and my conscience would not allow me to sleep if I did not vote on the side of the veterans in the roll call this afternoon.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolution of the House of the following titles:

On March 19, 1935:

H. R. 3266. An act authorizing the maintenance and use of a banking house upon the United States military reservation at Fort Lewis, Wash.

On March 21, 1935:

H. R. 5322. An act authorizing the President of the United States to present in the name of Congress a Medal of Honor to Maj. Gen. Adolphus Washington Greely;

H. R. 6644. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1935, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1935, and for other purposes; and

H. J. Res. 134. Joint resolution to continue the commission for determining the boundary line between the District of Columbia and the State of Virginia for not to exceed 9 additional months, and to authorize not to exceed \$10,000 additional funds for its expenses.

EXTENSION OF AIR MAIL SERVICE

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 167

Resolved, That immediately upon the adoption of the resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 6511, "A bill to amend the air-mail laws and to authorize the extension of the Air Mail Service." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority members of the Committee on the Post Office and Post Roads, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as

ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

AVIATION CADETS IN THE NAVAL RESERVE

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 168

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5577, "A bill to provide for aviation cadets in the Naval Reserve." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment, the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

CONSTRUCTION OF CERTAIN PUBLIC WORKS

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 169

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5576, "A bill to authorize the Secretary of the Navy to proceed with the construction of certain public works, and for other purposes." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

STRENGTH AND DISTRIBUTION OF THE LINE OF THE NAVY

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 170

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 5599, "A bill to regulate the strength and distribution of the line of the Navy, and for other purposes." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

DISTRIBUTION, PROMOTION, RETIREMENT, AND DISCHARGE OF COMMISSIONED OFFICERS OF THE MARINE CORPS

Mr. O'CONNOR, from the Committee on Rules, reported the following privileged resolution for printing in the RECORD:

House Resolution 171

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for consideration of H. R. 4016, "A bill to repeal section 16 of the act entitled 'An act to regulate the distribution, promotion, retirement, and discharge of commissioned officers of the Marine Corps, and for other purposes', approved May 29, 1934." That after general debate, which shall be confined to the bill and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Naval Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

PERMISSION TO ADDRESS THE HOUSE

Mr. SEARS. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SEARS. Mr. Speaker, on February 6 Senate Joint Resolution 24 was passed, permitting the Walter Reed Hospital to accept certain funds that were left to the hospital by the late Charlotte Taylor, of St. Petersburg, Fla. This matter has been considered by the House Military Affairs Committee. A unanimous report has been made, but the resolution must pass the House before the Walter Reed Hospital may take over these funds.

Therefore, Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 24, to authorize the acceptance on behalf of the United States of the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, for the benefit of Walter Reed General Hospital.

The Clerk read the title of the joint resolution.

Mr. SNELL. Mr. Speaker, reserving the right to object, as I understand, this bill simply provides for the acceptance of a gift by the Walter Reed Hospital?

Mr. SEARS. That is correct.

Mr. SNELL. There is nothing else involved in the bill?

Mr. SEARS. That is all. The money is to be used for the purpose of buying radios, and so forth, for the disabled soldiers.

The SPEAKER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc. That the commanding officer Walter Reed General Hospital be, and is hereby, authorized to accept the bequest of the late Charlotte Taylor, of the city of St. Petersburg, State of Florida, as contained in her last will and testament and such interest as may have accrued on the funds covered by such bequest, and to receipt therefor on behalf of the United States, and to deposit the funds so received in the Treasury of the United States as a special fund dedicated to the purchase of radio equipment or similar means of entertainment for bedridden soldiers or other patients in said hospital, said fund to be subject to disbursement for such purposes upon vouchers submitted by the commanding officer Walter Reed General Hospital under authority of the Secretary of War and to be available until expended.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. McKEOUGH. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McKEOUGH. Mr. Speaker, I was called out of the Chamber on the final roll call on the final passage of the Patman bill. After having supported this bill on all of the previous roll calls I would like to have at least the RECORD show that if I were here on the final roll call I would have voted for the final passage of the Patman bill.

ADJOURNMENT OVER

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

Mr. SNELL. Mr. Speaker, reserving the right to object, will the gentleman inform the House what the program will be for the first part of next week?

Mr. TAYLOR of Colorado. Monday, of course, is District day; but on account of the illness of the chairman of that committee, the business in order on that day will be postponed until Thursday. The air mail bill will be taken up on Monday. On Tuesday a rule providing for a change in the method of consideration of bills on the Private Calendar. If that rule does not take long, we may also commence consideration of the four bills from the Committee on Naval

Affairs, and continue that on Wednesday. Thursday, as I have stated, will be District of Columbia day, if we obtain the necessary consent. On Friday I hope to take up the Private Calendar. There are some 300 bills on that calendar, and the authors of those bills are quite anxious to have them considered as soon as possible. I hope to again adjourn over that Saturday.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

FEDERAL SOCIAL-SECURITY PROGRAM AND THE CONGRESS

Mr. VINSON of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks on the economic-security bill and to include therein a short statement by Dr. A. T. McCormack, of Louisville, Ky.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. VINSON of Kentucky. Mr. Speaker, under leave granted to extend my remarks in the Record, I include the following address delivered by Dr. A. T. McCormack, State commissioner of health of Kentucky and secretary of the Kentucky State Medical Association, at Louisville, Ky., March 3, 1935:

As I have said, I was in Washington throughout the hearings before the Ways and Means Committee of the House and the Finance Committee of the Senate on the social-security legislation, the outlines of which were submitted by the President's Committee on Economic Security, the general principles of which were introduced by a special message from the President.

As you know, it has been my privilege to be in Washington from time to time during the sessions of Congress for the past 25 years, studying legislation and the methods of legislation affecting medical service and public health. I wish every one of you and every American citizen who loves his country could have had enough of this experience to have acquired the profound respect for our national legislative body which I have. To the superficial observer who walks into the gallery of the House or Senate and sees and hears the drama, even of those historic occasions which happen a few times each session, when every Member is on the floor, when tension and excitement and great state strategy hold and thrill you, or on those far more frequent occasions when the roll is being tediously called and recalled, or when drab and routine debate is being participated in by a relatively small group of Members particularly interested in the special subject under consideration, the sessions of either the House or Senate seem to be confused and futile and wasteful. I believe it will be worth your while to consider for a few moments what really happens when a bill is introduced in Congress. Take this economic-security bill, for example. Being an administration measure of transcendent importance, it is introduced by the Chairman of the powerful Ways and Means Committee, receives a number, H. R. 4120, is printed, and referred to the Ways and Means Committee, which considers all legislation involving the raising of revenue. It is the great politico-economic committee of Congress. It is composed of 25 of the most experienced and influential Members of the House. The Democratic members are elected by the Democratic caucus and select the Democratic members of all the other committees.

It was interesting that during the 6 weeks of the hearings on this particular bill almost every member of the committee was present throughout its sessions. These hearings usually began at 10 o'clock in the morning and continued until half past 12. Unless matters of tremendous importance demanded the attendance of the members of the committee on the floor of the House, its session was resumed at 2 and continued until 5 or later. The members of the committee must attend to their personal mail, receive callers, and make departmental and other contacts in the mornings before the sessions or in the evenings after them. They were usually kept busy until midnight or later. Every statement made before the committee is taken by a reporter and each morning each member of the committee is furnished with a printed copy of the entire events of the preceding day. The first 2 weeks of the hearings were devoted to the members of the President's Cabinet and the economic experts who were presenting the evidence upon which the provisions of the bill were drawn. Following this any interested citizen who had information on the subject was invited to occupy 10 minutes in presenting his case and to submit for printing such data, maps, and charts as would support his ideas. Each witness was cross-examined by members of the committee for as long a time as was necessary to secure all the knowledge that witness had that was of value or to expose fallacies in his facts or arguments.

On the permanent staff of the committee are expert statisticians, economists, tax experts, legislative draftsmen, and they have available in the Library of Congress every reference to similar social or economic legislation in any country in the world. Translations of such data as is only in foreign languages are made immediately upon the request of any committee by the staff of linguists of the Library of Congress.

As an example of the promptness with which such data is assembled, an economic-security bill was introduced in the Parliament of Canada on January 28. Copies of this bill and the report supporting it were in the hands of the members of the Ways and Means Committee on the evening of the 30th. During the previous session of Congress a subcommittee held very extensive hearings on social-security legislation. These hearings had been printed and were in the hands of all Congressmen. There was no subject presented by any witness on which at least one or more members of the committee were not better informed than any of the witnesses.

When you realize that this single bill provides under title I appropriation for old-age assistance, with all the plans for its administration; under title II for aid to dependent children; under title III for earnings taxes by employers and employees; under title IV establishes a social-insurance board and provides for its duties and support, for the development and administration of unemployment compensation; under title V for annuity certificates; under title VI the necessary imposition of taxes for the support of these activities and for the development of an unemployment trust fund; under title VII for maternal and child health (under which heading the Federal aid which is helping support the bureau of maternal and child health under the supervision of Dr. Veech in our own State health department has been financed) and the care of crippled children and aid to child-welfare service, and, finally, under title VIII appropriations for public health, you will understand what a complicated and tremendously important study all of this involves. This single bill consists of 63 printed pages of about 25 lines each.

When the hearings on the bill are completed they are all printed with the accompanying tables and charts in a volume similar to the one I am exhibiting, and copies of these hearings are sent to each Member of the House and Senate.

The committee then went into executive session and for 3 or 4 weeks spent from 6 to 10 hours a day in careful study, first of the principles involved, then of the details of the administrative and revenue-producing sections of the measure. Each member of the committee takes part in the discussion of each item and all decisions are made by a vote of the committee. Then 2 or 3 weeks are required by the draftsmen and law officers of the Government, as well as by the astute legal minds on the committee itself, to make the final draft of the bill which is to be presented to the House.

From time to time intimations are given to the press by the chairman or by selected members of the committee of tentative decisions in its executive sessions so that the other Members of Congress and the public may be kept informed of the progress that is being made. Finally, the draft is completed and the chairman and a small subcommittee draft the report explaining the details of the bill. It is then reported to the House and goes on the calendar. Usually any such important administrative measure as the social-security legislation is considered by the House under a special rule which provides for several days of general debate, control of which is divided between the Chairman of the Ways and Means Committee and its ranking minority member. Special rules in such cases usually provide that no amendments may be considered except those offered by the committee itself. Such a rule is justified on the ground that legislation of such vast importance should be considered as a whole and should either be passed or rejected. Its thorough consideration by one of the legislative committees of the House in the manner I have described assures a bill its perfection in accordance with the political philosophy of the party which controls the administration.

Generally those opposing the bill are allowed to make one motion to recommit it to the Ways and Means Committee, with instructions to bring it in with certain modifications. After this routine motion is voted down the bill is generally passed with the support of most of the members of the party in control of the House, and in legislation of national importance quite frequently with the support of most of the minority members also.

Whether considered under a special rule or under the general rules of the House, bills are considered for amendment by the Committee of the Whole House on the state of the Union which generally has divided time for general debate, and then considers each section under the 5-minute rule. Sections of the bill are read by the Clerk. Committee amendments perfecting the section are offered first and adopted as a matter of course. Then germane amendments may be offered by any Member, and discussions are limited to 5 minutes for and 5 minutes against the amendment, and a vote is then taken in the Committee of the Whole. When this Committee has finished its consideration of the bill it rises and reports the bill as amended to the House. A separate vote may be demanded on any amendment, and then the previous question is moved, and the bill as amended is passed or defeated by a viva voce or an aye-and-no vote.

The bill now goes to the Senate, where it is referred to the Finance Committee. This committee has been holding hearings on practically the same bill, which was introduced by Senator WAGNER, of New York. The hearings were concurrent with those before the Ways and Means Committee of the House and the same witnesses as a rule were present.

It seems to me that the House has a distinct advantage in that the members of its important committees are members of only one committee. Due to its smaller membership, Senators are usually members of quite a number of committees, many of which meet at the same hours. Consequently there is a generally smaller attendance at the meetings of the Finance Committee than of the Ways

and Means Committee, but all the hearings are printed and the Senators have the opportunity of reading such evidence as is of interest or value to them.

When the bill is reported to the Senate, the Senate committee will be ready with its amendments to the House bill. In the Senate there is no rule limiting debate, and any Senator can offer an amendment any time he pleases. Powerful blocs are, because of this, frequently able to secure Senate amendments that have not been as thoroughly considered in connection with the other provisions of the bill or of existing law as they should be. Senators accept this as a lesser evil than the curtailing of debate or the limitation of the offering of amendments, and feel rather secure as a rule about it, because after the bill has passed the Senate it is referred to a conference committee between the two Houses, consisting of the ranking members of the Ways and Means Committee of the House and the Finance Committee in the Senate, whose members know most about the legislation. They compromise the differences between the two Houses and bring in a privileged conference report that is generally the best legislation that can be passed on that particular subject. When a conference report has been adopted by both Houses the bill is enrolled and goes to the President, who either signs or vetoes it.

This identical procedure takes place on every bill that is introduced into the House or Senate of the United States that is considered at all. Of course, hundreds of bills are introduced each session that receive no consideration in committee. Many of these are duplicates of others that are considered and many others are introduced at the request of friends of Congressmen, who realize that they will receive no serious consideration.

I have taken your time to tell you these details because I think every American citizen should understand something about them. Knowledge of the methods by which legislation is passed by the Federal Government will increase our respect for that august legislative branch which is essential to the preservation, not only of orderly government but of liberty itself. When one reads the newspaper accounts of the sensational and vapid utterances of a demagog, or even listens to the tedious meanderings of some thoroughly honest but tiresome speaker on the floor, it is important for him to realize that while this apparent waste of time is taking place the really serious work of Congress is being done in its hard-working committees.

To one who knows, even an apparent disorder which so frequently characterizes proceedings on the floor has through it all, nevertheless, a system and routine that usage has made practical and useful in the consideration of legislation for the welfare of all the people of the United States.

It is important also to remember that rank on committees is largely due to seniority in service. For this reason, intelligent congressional districts in the States elect competent, effective Senators and Representatives from term to term so that they may qualify themselves as statesmen for the great profession of Federal legislation and so they may be sufficiently influential to really help guide the affairs and destiny of the Nation.

It is well for our people to remember that the Congress is a coordinate branch of the Federal Government. The members of its majority party are members of the administration and not merely its satellites. Members are, as a rule, good sportsmen, and while they fight hard for their ideas or opinions they usually play with their team or party and vote with their own organization. Otherwise the party system is destroyed and we would be governed by blocs as in France.

In a Congress like the present one, elected because of the overwhelming confidence of the people of the country in an outstanding President, there are necessarily many inexperienced men in the majority, and the effectiveness of the minority is lessened because it has been deprived of many of its wisest and most experienced legislators. In the history of our country such leaders as the President have only appeared at great crises. Inexperienced legislators frequently feel lured at the orderly procedure provided by the rules, customs, and precedents of the House and Senate. Some such men frequently will attempt to have bills or procedures adopted which are not acceptable to the principles and practices of the party controlling the administration. Unfortunately, such proceedings are too frequently assisted by the minority, which at such times forgets its principles in a perfectly human but quite childish desire to bring the party in control at that particular time into ridicule or contempt. These temporary upsets are seized upon by the sensational press; people who do not know frequently find themselves confused by what they read in the press commentaries from Washington.

Revolutionists and agitators have had but little influence on the orderly course of events in the Congress. Temporarily they may make nuisances of themselves. The sane and sensible members of both parties hold them in contempt, even when they use them temporarily; and while they may confuse the public, they rarely seriously affect legislation or history.

No man who is familiar with the procedures and precedents of the Federal Congress can ever feel any doubt about either its capacity or its integrity in protecting the best interests of all the people.

I brought this to your attention at some length in an attempt to indicate to you the futility of sending form telegrams asking Members to vote for or against this or that bill. Such telegrams are solicited and encouraged by the professional lobbyists for special interests and blocs and by the employees of the telegraph companies, and they come to the influential Members of the House and Senate by the hundreds or even thousands. The Members return an equally meaningless form reply, send such letters and telegrams off in bundles to the committee considering that

particular legislation, and eventually they arrive at the special Committee on the Disposition of Useless Executive Papers, having exercised practically no influence on the sane and serious Members of the Congress.

Reasonable and reasoning telegrams and letters, pointed and brief as the particular subject will permit, addressed to Congressmen and Senators personally, are highly valued, always receive a courteous reply, and are seriously considered. Resolutions by learned societies or legislatures are printed in the Record; the thought or thoughtlessness which usually characterizes them is recognized. They are referred to the appropriate committees, and that is that. Fortunately for our country Congress is moved more by reason than by emotion, and it would be well for all of our citizens if they knew it and helped to secure wise legislation more by reason and less by pressure.

AIR DEFENSE FOR AMERICA—OUTLINE OF COMPLETE PROGRAM FOR AIR DEFENSE FOR AMERICA AND FOR PRESERVATION OF WORLD PEACE

Mr. McSWAIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the subject of pending legislation affecting proper defense of the Nation by air power.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. McSWAIN. Mr. Speaker, I believe that most forward-looking, disinterested students of national defense for the United States now regard aircraft as "the first line of defense." Whether that air power be based directly upon land, or be based upon floating surface craft, such as aircraft carriers, it is nevertheless "air power", and wherever that "air power" is exerted it constitutes "the first line of defense."

Armies can only defend against invasion by other armies operating upon the ground. Naval fleets can only defend us against other naval fleets operating upon the sea. But these two agencies leave us undefended as against attack and invasion by the "upper flank." This "upper flank" consists of 10 miles depth of air and more, and includes a ring around the United States 10,000 miles long. Every mile of altitude and every mile of length constitutes a possible "port of entry" for invasion by air, and thus there are as many as one hundred thousand points of attack by air, one hundred thousand "ports of entry" for invasion by air. This means, to the mind which faces the facts as they are, and as they are sure to be tomorrow, that we must increase our capacity to defend America against air attack. We must not only increase aircraft in numbers and in performance, but we must increase personnel to direct such increased number of aircraft. In air fighting the personality of the individual is the greatest single factor. Leadership in ground fighting and in sea fighting is very important. But in air fighting every pilot must largely be his own leader. He must have within himself the will to conquer. He must possess the willingness to dare and to do and to die, out in the lonely air, away from the inspiration of comrades, away from the bugle blast, away from the waving flag, away from the cheers of his companions, away from the newspaper reporters and photographers to record his heroic deeds. In the council chambers of his own soul the air fighter must hold his rendezvous with death and face that issue alone and upon his decision will depend our defense. He, therefore, must be trained and disciplined to meet that test and to resolve that issue in favor of his country and even against his own life.

The size of our earth shrinks as air power increases. The oceans grow narrower as the range of aircraft widens.

Mr. Speaker, the world is now only one-tenth the size it was before the Wright brothers invented the flying machine. Furthermore, development of aircraft in speed, in range, in load-carrying capacity, and in other fighting qualities, will certainly reduce still further the size of the world. Only about 100 years ago that "wet ditch", the English Channel, about 30 miles wide, was an insuperable barrier to Napoleon's ambitious schemes to defeat and humble England. Today who will dare say, in the face of the fighting and bombing aircraft known even now, that America is secure from invasion and attack by air power, even with 3,000 miles of water on her east and 8,000 miles of water on her west? We need not think that other nations will not use air power in any

way that it can be used in order to accomplish their will and to defeat an enemy. We would do it if we got into war, and they will do it.

When war comes all conventions, all treaties, and all so-called "rules of civilized warfare" will crush and crumble like sand cakes. Undoubtedly, in the next war nations possessing sufficient air power will bomb great centers of population and great centers of industrial activity. Undoubtedly in such cases thousands, and maybe hundreds of thousands, of unarmed and defenseless men and women, being citizens of a nation at war, will be killed or wounded or poisoned from the air. There is no such thing as a "gentlemen's war." If we do not wish to suffer such horrors, then we must keep out of war. We cannot keep out of war by merely wishing to do so. We can only keep out of war by being prepared to prevent invasion and to punish the invader. We can do this only by having adequate and ample air power consisting of aircraft and trained fighters to employ at once such aircraft.

In America only a war of defense is possible. Whoever will not defend America should not live in America.

Mr. Speaker, some well-meaning and good-intentioned people insist on saying that "preparation for war brings on war." That may be true with regard to certain nations, depending upon their situation, and national needs, and their governmental structure. But it cannot be true with America. We have all the wealth that we need and ought to have. We have all the room for expansion that we need. We do not covet the land or the wealth of any other government. Our people are peace-minded. Our people "govern their Government." Our people elect their own Representatives—and elect them frequently—to the Congress. War cannot commence and cannot continue without the consent of Congress. Unless the people want war, there will be no war. The only war that the American people want will be a war of defense. If other nations think that we cannot defend ourselves, they will attack us. If they know we are prepared to defend ourselves, they will not attack us. Therefore, to be prepared is for America to preserve the peace for herself, and if she is powerful in the air, upon the sea, and upon the land, her voice will be great in the councils of the nations, to preserve the peace of the entire world.

Our own good will is no defense. Our own desire for peace will not preserve peace. We must be prepared to defend our peace.

Mr. Speaker, some say that no nation will ever attack us. There is no basis in history or human nature or in current events for any such statement or belief. Unfortunately the lessons of history and the signs of the times are to the contrary. There is but one answer to that situation, and it is that we must be ready to drive off an invader so that a potential invader may know that we are ready and he will therefore not commence invasion. Weakness will invite invasion. Strength will prevent invasion. Do other nations love us? Do other nations owe us no great sums of money? Do other nations not envy and covet our great wealth? Do other nations propose to keep their solemn covenants "to keep the peace"? Do other nations combine and recombine to crush a common enemy? Let all our people who read and think and face the facts of human life as they are and not as we would like them to be answer these questions.

But let me ask a few more questions. Do our own people wish to see our citizens and our industrial centers bombed from the air and destroyed? Do our own people want to see great numbers of men and women and children killed and wounded and poisoned by explosives and gas? Do our own people not realize that human nature has not changed in the last 20 years? Do our own people not realize that human nature has changed very little during the course of recorded history? Can our own people hope for any sudden change in the hearts of men? Suppose the tables were turned. Suppose our own population were overcrowded, and suppose our own natural resources were exhausted, and suppose that millions of our own people were constantly upon the verge of starvation. Suppose we owed great debts to some other nation, and suppose we thought that nation a great Shylock who would grind our own people still fur-

ther into the depths of despair, force more millions of our own people to the verge of starvation, and restrain their natural impulse for expansion and for a better chance in the world. What would our people feel and how would they act?

Let history answer this question. How did we feel in 1775 when some little stamp taxes and tea taxes were imposed upon about 2,000,000 colonists who had barely tapped the rich resources of this great continent? How did the young Republic in 1812 feel when the powerful British Empire seized a few American sailors here and there? How did our people of the Southern States feel in 1861 when their leaders told them that their institutions and their property rights and their constitutional rights might be impaired by a fanatical majority? How did our people feel in 1898 when the operations of the Spanish monarchy cried to Heaven from the throats of the suffering Cubans? How did our people feel in 1917 when the then greatest military powers of history denied our rights to travel the high seas and to trade with other nations? Yes; let history answer these questions, and her answer will be that the American people have always said that there are some things dearer than life itself. The answer will be that the American people have a conviction of national dignity, and of social justice, and of governmental righteousness, and that to make these ideals real and effective the American people will, as they always have heretofore been, be willing to sacrifice and to fight and to suffer and to die.

The wisdom of Washington and of his every successor in the White House urging adequate defense must not be discounted.

Now, Mr. Speaker, if this be true of the American people, and who will deny it, then may it not also be true of other peoples? May not other peoples begin to think of America as a Shylock in spite of our generosity and liberality? May not other people think that we have denied their equality, and have sought to repress their natural impulse for expansion? May not other people think that we denied them "a place in the sun", and that we as a great Colossus are bestriding the narrow channels of development for other nations? May not other people think that we have more than our proper share of the wealth of the world, and that we ought to divide up with them, just as some people think that we ought to divide up among ourselves? May not other nations think that by making combinations against us they can eventually crush our power, and compel us to pay tribute, and compel us to cancel our obligations, and compel us to share our blessings?

Let history answer these questions, and when these questions are answered men will realize that George Washington, and every successor of his in the White House, was right when he said that this Nation must be prepared to defend herself. Every President that ever sat in the White House realized that a nation must have adequate arms for defense and an adequate force of trained men ever ready to employ defensive weapons. A broad and comprehensive view of the history of the world and of the philosophy of evolution teaches us that just as the individual must defend his own life and the life of his family and defend the habitation where he and his family sleep against the lawless members of society, so must the Nation be prepared to defend itself against the lawless, selfish, ambitious nations which would seek to invade and to conquer such other nation.

Men are still sinful and selfish. There often have been, and may yet often be, righteous wars. The nation which will not fight in self-defense does not deserve to live.

Of course, Mr. Speaker, if all men everywhere in the world were controlled in their thinking and in their feeling and in their action by the principles of the meek and lowly Nazarene, as enunciated in the Sermon on the Mount, then all nations could disarm. But I believe that even the Prince of Peace believed in the exercise of force for a righteous cause. I believe that when he drove the money changers from the temple by the use of physical power he taught the lesson of a righteous war. I believe that for a man to defend himself and to defend his family and to defend his home against

enemies and criminals meets the approval of a just God. I believe that for a nation to defend itself, and even to be the champion of weak nations and of just international principles, meets the approval of God. I believe that wars of righteousness and of justice have played an important part in the progress and development of the world. Even the World War, with all the horrors and sufferers that have followed in its wake, did set free hundreds of millions of human beings from the shackles of hereditary tyranny and of iron-bound tradition and made them the masters of their own destinies. Whether they exercised that mastery wisely or unwisely is beside the mark now. If they have acted unwisely, they still have freedom of action and may ultimately act wisely.

European critics of the early American Republic said that our democracy could never succeed. They said that the American institutions would fail. They said that the people would prove incapable of self-government. While we have made some mistakes, we have also made great progress, and as a result of the American Republic the eyes of the people of all nations have been turning toward a better and a brighter and a freer and a happier day. Therefore, let America defend herself, let her increase social justice within her own borders, let her develop her own resources, let her people become more enlightened, and thus by their example lead all the nations of the earth along the road of righteousness and social justice unto the final day of peace. But America cannot do these grand and noble things unless she preserves her independence and her integrity and her honor. If America must pay tribute to other nations, if she must divide her wealth, if she must be humbled, if she must surrender her independence, at least in part, then her power to bless her own people, and to set a good example to other nations, is lost. We believe, therefore, that it is the course of wisdom, as outlined by every President and every responsible statesman that knew his history and knew human nature, for us to be prepared to defend ourselves, and to repel invasion, and that such state of preparedness will preserve the peace. Any other course would be to invite invasion and destruction. Thus, the virtue of courage preserves all other virtues.

A PROGRAM FOR AIR DEFENSE

Mr. Speaker, I propose to the Congress and to the country a consistent and coherent program of expansion and development for the air power of the United States. That program proposes to enlist the individual initiative, the inventive genius, and the scientific skill of every person in America, however humble and obscure or however powerful and widely known. That program has four stages. These four stages deal, respectively, with personnel in the air forces, the reserves for the replacement of the air forces, the organization of the junior air reserve, and a new program of development and improvement under the general head of procurement.

THE HUMAN FACTOR ALL-IMPORTANT IN AVIATION

The most important factor in any air force is the human factor. Just as the man behind the gun is more important than the gun, so the man in the plane, guiding, controlling, and operating the plane and its gun, is more important than the plane and the gun put together. The pilots must have nerves of steel that flash and scintillate like diamonds themselves. To encourage the personnel of the Air Corps, I have proposed by H. R. 4351 to set up for the Air Corps a separate promotion list. Just as there is a separate promotion list for the Marine Corps in the Navy, so there ought to be a separate promotion list for the Air Corps, even so long as it remains attached to and a part of the Army.

There is a different principle involved in the personnel of the flying forces from that in the ground forces. Discipline for an air officer is a different thing from discipline for a ground officer. Esprit de corps, morale, loyalty to the high command, and all of those factors going to make up a strong and coherent military organization have different forms and are to be interpreted in different terms when applied to the men who fight in the air. That is why there should be a separate promotion list. The provision for temporary promotions in the Air Corps is not entirely satisfactory. It

ought not to be indefinitely continued. As long as the officer personnel of the Air Corps remains on the promotion list of the Army generally, there is no escape from the occasional use of temporary rank. But with a separate and independent promotion list such temporary rank could be immediately discontinued.

ORGANIZED RESERVES ESSENTIAL TO PROPER DEFENSE BY AIR POWER, AS ALSO BY GROUND TROOPS

It is impossible for any part of the Regular Army, or the Regular Army as a whole, to contemplate the continuation of a system without the aid of numerous reserves. Our Nation cannot and should not maintain a standing Army large enough to do all of its fighting. It is estimated that for two field armies it will be necessary to call into active service at least 120,000 Reserve officers.

Thus the Reserve officers in time of anything like a major war will outnumber the Regular Army officers 10 to 1. That is why every encouragement must be given to the Organized Reserves and toward every factor going into the development and improvement of the Organized Reserves. That is why I have introduced and am enthusiastic for H. R. 4348, which proposes to reorganize the Air Reserve and to provide for its proper supplies, equipment, and training. That is why I am enthusiastic for H. R. 6250, introduced by my friend the Honorable R. EWING THOMASON, of Texas; and I was glad to write the report favoring that bill. By it we not only propose to fill up the authorized strength of the Army Air Corps by adding about 381 additional officers now holding Reserve commissions and graduates of our Air Corps training center, but we also propose to call to active duty for 1 year each 2,000 Reserve officers of the lower grades. Many of these 2,000 Reserve officers will doubtless be flying officers. At the end of 5 years we will have by this program 10,000 well-trained junior officers that can be relied on for instant service in the event of an emergency. Also, that is why I am earnestly advocating the establishment in the War Department of a Reserve division as proposed by H. R. 6674. It appeared by the testimony that 78 percent of the fighting personnel, in the event of a major emergency, would be Reserve officers. Surely that large a component of our fighting forces is entitled to have every reasonable and proper encouragement.

JUNIOR AIR RESERVE—THIS WILL BE A HUGE RESERVOIR FROM WHICH TO DRAW PILOTS IN A WAR EMERGENCY

I am respectfully and earnestly inviting the attention of the Congress and the country to H. R. 4336. This proposes to set up the Junior Air Reserve and to authorize its encouragement by every reasonable means, but without involving any appreciable expense to the Treasury. I will briefly explain the purposes of this bill. It is intended that young men between the ages of 18 and 21 shall be trained, but at their own expense, under general regulations promulgated by the War Department. It is contemplated that the Secretary of War may detail Regular Army officers to assist in the instruction, and certain aircraft and accessories may be used to assist in their training. But it is expected that they will pay those schools and instructors engaged in the business of teaching civilians to fly. It is contemplated that the War Department will make regulations concerning the uniform and insignia of those taking training to be known as "cadets of the Junior Air Reserve." After these cadets have finished their course of instruction and training, they are to be declared members of the Junior Air Reserve, and will be entitled to wear a prescribed uniform and insignia. Of course, they must buy the uniform themselves, though it is expected that the Government will furnish the insignia to insure uniformity. I believe from much conversation and correspondence that I have had with those conducting flying schools and from hundreds of young men who have written me, that there will be annually as many as 10,000 or more young men in America to take this course of training.

For example, a young man still in college, during the vacation after his freshman year, or after his sophomore year, may take a 3 months' course in the ground work, requiring a thorough knowledge of the elementary principles of aerodynamics and of the construction of the aircraft itself.

Then 1 year thereafter the same young man can take another 3 months' course in flying, and if he has the aptitude at the end of the second 3 months' course, being 6 months in all, he should be able to graduate and thus return to his college work wearing a snappy uniform with attractive insignia, all of which will make him proud of his accomplishments, and will inspire thousands of other young men to take the same sort of training during the next summer. These young men upon arriving at 21 years of age will already be in fine condition to take a course of instruction in military aviation. Their previous training will shorten their period of instruction. Most of them will be about ready for the advanced courses given at Kelly Field. Thus the burden upon the Government of 6 months' training at Randolph Field will be lightened. Thus the Regular Army will be receiving the choice material from all over the Nation. Furthermore, those who cannot enter our Air Corps training center for further instruction will seek Reserve commissions through the regular Air Reserves and doubtless most of them can be so commissioned. If this course of conduct be carried out for a very few years there should be annually made available for our Air Reserves somewhere between five and ten thousand fine young men who, after a short course in military aviation, would be prepared to join in the defense of the Nation. Air fighting is a young man's fight. Aviation is a young man's game. The sooner we take these young men under our guidance and encourage them to fly, the better it will be for national defense. This program of organizing the Junior Air Reserve fits in happily with the organization known as the "Junior Birdmen of America."

I commend the Honorable William Randolph Hearst for his vision and constructive statesmanship in organizing this fine body of youngsters. With the instruction that they obtain in the organization of Junior Birdmen of America they will be well prepared to begin the work of cadets in the Junior Air Reserve. Thus, the purposes and training are connected and continuous.

FRONTIER AIR DEFENSE BASES

The next step in the program of national defense by air power is the establishment of a number of frontier air defense bases, and that is why I am sponsoring most enthusiastically H. R. 6621. If that bill is enacted into law, it will permit the establishment at strategic points in the United States and Alaska and others of several possessions of properly equipped air defense bases. It also contemplates the establishment of reserve bases where construction, repair, and maintenance of aircraft may be readily had, and where munitions may be prepared and stored. Undoubtedly there is a great need for these air defense bases. Furthermore, there is great need for a very large number of landing fields in every part of the country. Every airport of landing field is a potential factor in our national defense. Such landing fields should be provided so that if our air forces are moving in large numbers from one part of the country to the other to meet a threatened invasion, it may be possible for any particular aircraft to find safe landing in the event of any mechanical trouble. I am confidently expecting that this legislation will soon be enacted into law and that construction work may be begun at an early date.

AMENDMENT TO PROCUREMENT LAW—ENCOURAGEMENT TO INVENTORS AND ENGINEERS

Next I call your attention to the provisions of H. R. 6810. This bill has to do with the encouragement of every person in America who can contribute to the development of the science and the art of aviation. We remember that the Wright brothers, who invented the first flying machine, were operating a small bicycle-repair shop as a means of living. We remember that some of the greatest inventors that the world has ever known came from the humblest origins. While great laboratories and highly trained scientific staffs of engineers and expert draftsmen are necessary to develop inventions, yet it is a fact that very few of the original inventions came out of these large and expensive engineering and drafting establishments. I have often said that the man who works in the cellar, and the man who works in the attic, the man in the blacksmith's shop, and the man in the cobbler's

shop, ought all to be encouraged to think and to devise ways and means to improve man's mastery over nature. That is why, through H. R. 6810, we are encouraging the inventive genius of America to keep America ahead of the world in the matter of military aviation. That is why we are proposing that aircraft-construction corporations enter into design competitions and into performance competitions. It is but reasonable and natural that the concern which originates a design and which constructs aircraft according to that design is best prepared to improve and develop it. Furthermore, such concern has the greatest pride in improving it and has the greatest financial concern and interest in seeing it improved. Of course, I do not claim that H. R. 6810 is perfect. I am expecting many suggestions from the War Department and the Navy Department and from the public generally, including the leaders in the aircraft industry.

I respectfully invite proposals for amendments from every source, but I do insist that publicity and open competition must prevail at every step in the proceedings. I am bitterly opposed to private negotiations. Private negotiations will undoubtedly mean secret negotiations, and secret negotiations will undoubtedly mean corruption and scandal. Furthermore, secret negotiations will ultimately stagnate progress and prevent the humble and obscure man from having a chance. It will be noted that I do not insist that the cheapest aircraft be always purchased. Such was not the purpose nor the provision of the act of July 2, 1926. That act and the amendment now contemplated by me puts upon the Secretary of War or the Secretary of the Navy the responsibility of deciding openly and publicly which manufacturer is best prepared to serve the interests of the Government. Of course, the interests of the Government involve speed, load-carrying power, range, safety, and price.

Price is one factor, but not the sole factor. If, therefore, one concern is building a better machine than another concern, even though the price be higher, the Secretary of War or the Secretary of the Navy has the power to say that the more expensive aircraft is the one that will be bought. All that I insist upon is that the design competition shall be open to the public after due advertisement. I further insist that the performance competition shall be open to the public after due notice. Then, finally, I insist that the letting of the contract shall be had only after advertisement and after open public competitive bidding. If, after the steps above mentioned, the appropriate Secretary determines that a certain type of aircraft, irrespective of how high the price may be, is the aircraft which the Government needs, then that is the aircraft which the Secretary is authorized to buy.

The right of inspection and of auditing books will protect the Government against unreasonable profit making by the manufacturer. Though the manufacturer may make unexpectedly large profits on one contract, unless he makes the price right on the next lot of planes the Secretary will not give him the contract. Publicity, open competition, letting every concern have a chance to bid and to construct according to contract will cure all ills. The sunlight of publicity will kill the disease germs of corruption. Open competition after due public notice given under the provisions of H. R. 6810 may resolve itself virtually to negotiation, but it will not be private negotiation, it will not be secret negotiation, but it will be open, public negotiation by a responsible contracting officer and those who wish to manufacture and sell to the Government, so that every bidder will know what every other bidder is offering and what price every other is to receive, and the Secretary will assume the responsibility of seeing that one commodity is so much better than another commodity that the Government will buy the particular commodity, even though it be not the cheaper commodity.

GENERAL CONSIDERATIONS CONCERNING NATIONAL DEFENSE

Now, in conclusion, I wish to call attention to two matters relating to national defense generally, and not specifically referring to aviation. These are H. R. 5376 and House Joint Resolution 168. The former is one of the legislative proposals contained in the recommendations of the President's Aircraft Board, popularly known as the "Howell Board." This is designed to bring about effective cooperation between

the Army and the Navy. It is designed to put an end to the deadlock existing between the Army and the Navy. It is designed to make the joint board of the Army and the Navy function. It is to give force and vigor to the office of President as Commander in Chief of the Army and the Navy. It is to set up the legal machinery whereby the President can function without offending or reflecting upon either member of his Cabinet or either branch of the service. It merely prescribes the machinery whereby the President automatically umpires complications between the Army and the Navy. All of that can be done now, but under existing department organization it is not done. In the opinion of the President's Aircraft Board this thing should be done, and H. R. 5376 will accomplish these results if enacted into law. Furthermore, House Joint Resolution 168 is a fulfillment of a pledge by the Democratic Party expressed in its platform adopted in 1932.

It seems too plain to argue that this going in different directions by the different agencies of national defense ought to stop. I believe that if a joint committee such as is contemplated by House Joint Resolution 168 should study the question, the majority would arrive at the conclusion that our present system is not as efficient as it should be and is unnecessarily expensive. An organization can be set up that will promote efficient work and produce economy. No harm can be done by having such survey as our Democratic Party promised the country. The prediction that the total expenses of the Army and the Navy would soon approximate \$1,000,000,000 a year has already come true. Under existing conditions I do not say that is too much, but I do say that every dollar that can be saved from useless duplication ought to be saved. If efficient work can be promoted, that will indirectly be a saving of money. If we can get the same results by less money, or if we can get greater results from the same money, it will be our duty to the taxpayers to do so. I am respectfully inviting the attention of the Congress and the whole country to this subject and suggestion that we have a survey of all the forces and factors entering into national defense, and that this survey be laid before the President and the Congress after a careful and deliberate study. I would not expect a unanimous report from such commission. We have had too many unanimous reports. We had a unanimous report from the Morrow Board. We had a unanimous report from the Baker Board. We had a unanimous report from the Howell Board. Unanimous reports mean that there have been compromises, and that the whole full truth has not been declared by any one. For example, the Honorable Edward P. Warner frankly and freely declared to the Committee on Military Affairs of the House of Representatives that he believed in a single department of national defense. Yet the report of the Howell commission, of which Mr. Warner was a most active and energetic and useful member, did not recommend such a department of national defense.

We would expect from the right sort of commission a vigorous and energetic minority report. Minority opinions of supreme courts, and minority reports of legislative committees, and minority reports of standing commissions are always very helpful. If the majority is right, the minority report will only emphasize the correctness of the majority by contrast. If the majority is wrong, its error ought to be exposed by the minority. Members of a commission, charged with a heavy responsibility, such as an effective program of national defense, ought not to compromise their individual ideas. If there be three or four separate groups in the commission, all the better, for the contrast in such a commission would help in the consideration of the military problems of the air forces, the naval forces and the military forces. It would declare which is the first line of defense, and therefore it should be constantly ready for action. It should declare what strength should be needed for our air force and whether we should have a unified air force or continue as we are with a double-headed, separated air force. Somehow our present organization strikes me as confusing and involving unnecessary expense. Such a commission should fix the place in the defense scheme of floating craft, such as battleships. Such a commission should advise us

as to the necessary strength of the Regular Army. Such a commission should advise us as to the strength and training of all of our reserves. Out of all this there should result something like a well-planned program for all-round national defense. Such a program should be based upon a sound philosophy of national defense. Unless we do resort to some single standard and predicate our organization upon some coherent plan, then we are all striking out in different directions, with different objectives, according to different standards, duplicating our several efforts, and heading toward confusion, chaos, and terrible losses in the event of war.

I think we need a single mind, such as the Secretary of a department of national defense, to preside over all of the defense forces of the Nation. Such a secretary would be a deputy Commander in Chief under the President. He would not be the special pleader for the Army, nor for the Navy, nor for the Air Corps. He would be the arbiter and the umpire between all these interests. He would be prepared to advise the President upon every problem connected with national defense. Undoubtedly the President would pick a man with broad experience, of unusual intelligence, and executive capacity. Such a secretary should be well grounded in history, and especially in the history of military strategy. Such a secretary should thoroughly understand our economic system, should know our industrial and natural resources, and should be in sympathy with all the ideals of the American people. Only a war of defense is justified, but when defense is necessary, all men will stand ready to unite to defend the territory, the integrity, the national rights, and the honor of the American Nation. Such a secretary would be the exponent of the attitude of practically all American citizens that we shall never engage in war upon foreign soil again, that our Nation is to defend our own land and our own rights, and that we should be adequately prepared to defend our rights against the invasion of any other nation or several nations combined. No nation would deliberately begin a hopeless war. They know that we have the man power and the resources, and if they see that we have the organization and the fighting equipment, they will let us alone. Thus, such a secretary would personify the principle that to be ready adequately to defend our Nation would be not only the best way but the only way to preserve peace. If peace is preserved in America because of the strength of our organized armed forces, then it will be a powerful factor in preserving the peace of the world. But the first duty of America is to America. To defend our own land and to defend our own rights and to defend our own honor is not only our God-given right but our God-given duty. When we perform this duty we will be preserving the peace of this Nation and contributing largely to preserving the peace of the whole world.

SOLDIER'S ADJUSTED-COMPENSATION CERTIFICATES

Mr. WHITE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. WHITE. Mr. Speaker, I am in favor of the immediate payment of the ex-service men's adjusted-compensation certificates by the passage of legislation that will provide a feasible and practical plan for discharging this obligation to the ex-service men, definitely assumed by our Government in an act of Congress when the original bill became a law.

I have included herewith copy of a letter addressed to Senator BORAH and myself, which explains the situation with reference to this legislation:

KANSAS CITY, MO., March 11, 1935.

HON. WILLIAM E. BORAH,

United States Senate Building, Washington, D. C.

MY DEAR SENATOR: As the senior Senator of your State, I am addressing you concerning the pending legislation on the so-called "bonus bill." I am also sending a copy of this letter to the senior Member of the House of Representatives of your State concerning the American Legion's attitude on the proposition. As a member of the Legion and other veteran organizations, I try to keep posted on veteran legislation. You are well informed about these things,

and will remember when the Legion could get no one else to fight the "bonus" battle, PATMAN was the principal leader for the Legion's program, especially while Brother VINSON was taking a vacation from Washington by reason of the Hoover landslide in 1928.

We all know that PATMAN's program has always been to pay the so-called "bonus" in greenbacks. The bankers had scouts at all State conventions, and their ear to the ground at the Miami convention. Being well advised that said convention was going to recommend the "bonus" be paid, the bankers, realizing they would not get any "gravy" if the "bonus" was paid PATMAN's way, they proceeded to engineer and manipulate a banker into national commandship, and that he, the national commander, would fight for a bond issue so that the bankers would get their interest from said issue.

The word "inflation" is nothing but a Wall Street bugaboo; the only time that bugaboo is trotted out is when the idea of paying the bonus with greenbacks is mentioned.

You know better than I do that President Roosevelt in a very recent press conference of March 6 and today stated that "the dollar has not been brought to a proper relation with private debt, and that no attempt should now be made to stabilize domestic commodity prices." In other words, we get the picture that the administration expects to order a further devaluation of the dollar in order to boost prices. The bonus inflation is a small potato compared with the President's inflation program. The well-posted and wide-awake person knows that potential inflation already exists through the devaluation of the gold value of the dollar and the huge increase in surplus bank reserves; that we will have further inflation by reason of the proposed new banking act, which I understand most likely will pass.

To pass the Vinson bill would only encourage more money lying idle in banks, the bankers refusing to loan same for private industry, being satisfied with merely clipping coupons from the bonus issue.

Commander Belgrano made an asinine statement before the House committee wherein he states, "It was not his job to consider comparative costs, but simply work for payment of the certificates." We all know that a man of Belgrano's position should consider the cost of any piece of legislation, and try to have legislation enacted and paid for as cheaply as possible.

It seems to be the consensus of opinion by monetary experts in most trade journals that not only domestic but international inflation is at hand. This is evidenced also by the steady weakness of British currency, which is bound to reflect on the dollar.

In my humble opinion, I sincerely believe that you should vote for the Patman bill.

Yours very truly,

LEO A. SPALDING.

In conclusion let me state that it is my opinion that the passage of the Patman bill, providing for the payment of these certificates by moderately controlled expansion of the currency, backed by the gold and silver reserves in the Treasury, is the only feasible means we have at this time of meeting this Government obligation to the ex-service men.

THE FACTS ABOUT RECLAMATION

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. CULKIN. Mr. Speaker, on the 28th day of February, when the appropriation bill for the Department of the Interior was pending before the House, I told the gentleman from Washington [Mr. ZIONCHECK] that I would later present in detail the facts concerning the financial condition of the projects which the hearings showed were paid 100 percent. I have endeavored to do this, and it has been a laborious undertaking.

May I say that the tables printed on page 2681 of the CONGRESSIONAL RECORD for February 27, 1935, with relation to reclamation projects are quite obviously intended to mislead Congress, the public, and taxpayers whose funds are being dissipated. The tables are presented ostensibly for the purpose of showing whether or not the money expended by the Government is being repaid and to what extent.

The tables are more eloquent for what they do not show than for what they reveal. One table purports to show what construction charges have been paid when due. An important omission—which, of course, was intentional—is that there is nothing to show that during the last 5 years no construction charges have been payable, because Congress has very generously passed laws exempting the projects from payment of construction charges during the years 1931, 1932, 1933, and 1934. Another bill is now pending to relieve them of payment during 1935. Perhaps when this bill is up for

action the statements concerning the prosperous condition of projects and their excellent record for payments will be somewhat different. It will be interesting to see what representations will then be made regarding their soundness and the eagerness of the landowners to pay.

When no charges whatever are payable because of the 5-year moratorium, it is easy enough to make a good showing. Even 100 percent of nothing is not very much. It is still nothing, even in the synthetic figures of the Reclamation Bureau.

The table shows nothing of the tremendous amounts that were charged off as a total loss to the Government under the act of Congress of May 25, 1926, and the additional charges indefinitely suspended, which, of course, is equivalent to a further loss. These figures aggregate about \$28,000,000. Other acts of Congress have authorized further adjustments on various projects, among which may be mentioned the Okanogan project in Washington, the Milk River project in Montana, the Klamath project in Oregon, and others. It is difficult to compile a complete list or to give the exact amounts because of the incomplete information given in the official reports. I believe it is safe to state that the additional amount will be not less than \$10,000,000. This makes a total loss to the Government of some \$38,000,000. There will in all likelihood be considerably more.

In addition to the charge-offs and suspensions, various acts of Congress provide that charges in arrears and long past due, as they were on most projects, could be funded by being merged with charges later to become due. In this way naturally delinquent charges were extended by making a new note, so to speak. But certainly this does not constitute payment, as is intended to be implied. The record of payment is not good; it only looks and sounds good because of the looseness of Congress in not requiring payments when they could have been made, and because of the trick bookkeeping methods and lack of frankness in presenting the facts.

Since 1920 and even during the most prosperous years known to agriculture there has been a continuous series of acts of Congress giving extensions, granting suspensions, and otherwise forgiving payments which should and could have been made according to the contracts of the landowners. The following is only a partial list picked out from an examination by no means exhaustive. There are no doubt many others, but the following are illustrative: Acts of March 31, 1922; February 28, 1923; December 5, 1924; May 10, 1926; May 25, 1926; May 25, 1928; May 28, 1928; April 23, 1930; April 1, 1932; June 23, 1932; March 3, 1933; June 14, 1933. An additional act was passed in 1934 extending the moratorium on payment of construction charges for 1935.

There is this further factor to be remembered: The original Reclamation Act of 1902 required the Government's investment to be returned in 10 years. In 1914 the time for payment was extended to 20 years. In 1924 the time for payment was further extended to provide for payment on the basis of 5 percent of the crop returns. Under this act the time for repayment varies from 40 years to 100 years or more, depending upon the crop returns, which, of course, vary. An important thing to keep in mind is that no interest is required to be paid on any of these charges. No such liberal terms have ever been granted by a paternalistic government to any group or body of favored citizens. This is a thing well worth remembering by other borrowers who are required to pay interest and to repay the principal in much shorter times. These same borrowers and other taxpayers contribute funds which are loaned without interest and on the ridiculous terms stated to subsidize projects to aggregate the crop surplus and compete with farmers not so subsidized. And this at a time when huge sums of money are being expended to take land out of production. This is not only illogical; it is most inequitable and unjust to the farmers in my State and other States east and west.

These preliminary statements are made to show the general background as an aid to Members who are not familiar with conditions and to whom the picture attempted to be

presented looks not unfavorable particularly when viewed from the standpoint of those sponsoring irrigation. It is apparent that many Members even from the western States are not familiar with many phases of importance. This is probably true of most of us. Quite naturally the unfavorable aspects are not given the air by Dr. Mead and his cohorts. They want more and bigger projects, regardless of what the results are. The new projects now being undertaken and advocated are vastly more expensive than the earlier ones. The charges to be paid by the landowners (presumably) are in many cases several times those payable by the old projects, and these were far too great, according to representations made upon which write-offs were based. How, then, can it be expected that the new projects will be able to and will pay? Of course, the answer is they will not pay. When the money is spent and the proper time rolls around the western Members will be here urging further charge-offs, suspensions, and so forth, just as they have done in the past. It may be said this is but a prediction. This is true; but there is no reason to believe otherwise in view of the extremely high cost. This will be a good thing to be remembered by those Members now here, some of whom no doubt will still be here when the pleas for write-offs come, as they will.

The tables presented do not show the six projects that have been abandoned as complete failures. These projects are as follows: Hondo, in New Mexico; Garden City, in Kansas; Buford-Trenton, N. Dak.; Williston, N. Dak.; King Hill, in Idaho; Umatilla, in Oregon.

The annual report of the Secretary of the Interior for 1934 shows only the first four as being abandoned. These are shown on page 50 of that report. As a matter of fact, however, the King Hill and Umatilla projects have likewise been abandoned. There can be no dispute about this. The printed table shows only the King Hill and Umatilla projects. On examination of this table one would conclude that all is well with these two projects. The table admits this, and on page 2683 of the CONGRESSIONAL RECORD there is printed a statement alleged to have been made by Senator POPE, of Idaho, at the reclamation conference in Salt Lake. Senator POPE, no doubt, got his data from the Reclamation Bureau, but he should be at least familiar with the King Hill project in his own State. He must or should know that this project has never paid one cent on the construction cost of about \$2,000,000. This project is a complete dud, but there is nothing in any of the statements made to indicate that. It was abandoned by the Government several years ago and no efforts whatever are being made to collect any charges against it. Yet it appears on the table. But does the table show the percentage in the column "Percent repaid of charges due"? Oh, no. It shows no figures, though quite obviously there should be shown the figure zero, for that is exactly what the project has paid of the \$2,000,000 cost. To have shown this figure, however, would not have looked good for that particular project, and it, in addition, would have caused a considerable evaporation in the general average shown at the foot of the table.

The annual report of Secretary Ickes shows the construction cost of the King Hill project to be \$1,905,918, and the report shows also a deficit in operation and maintenance of \$110,122.51. See page 50. This appears to indicate that the project not only paid nothing on construction, but that it did not pay all of its operating cost. This has caused a loss to the Government of more than \$2,000,000. This very pertinent fact is not mentioned by Senator POPE, nor is it shown in the tables or accompanying data. Senator POPE mentions the payment of some \$48,000,000 by all projects, which he says makes them 99.3 percent pure. He makes no mention of the almost equal loss to the Government because of the charge-offs, suspensions, and so forth. The Senator no doubt took the figures as given to him without knowing of or analyzing the other most pertinent facts here stated.

The operation and maintenance table shows the Umatilla project to be 100 percent paid. Excellent if true. The fact is, however, that the Government has not operated this

project for many, many years. It was turned over to the water users in disgust. How, then, could there be any operation and maintenance charges to pay the Government? If no expenditures have been incurred by the Government, of course the project's account in this regard is O. K., but how about the deficit in operation and maintenance incurred by the Government before the project was given over to the landowner? This has been already mentioned and is shown in Secretary Ickes' annual report. Probably this has evaporated in the very arid climate of Oregon.

The crowning joke in the reclamation tables is that most of the projects listed in the operation and maintenance table with a 100-percent record are not operated by the Government and have not been so operated for many years. Among those not operated, the following are mentioned: The Salt River project, the Grand Valley project, the Uncompahgre project, the King Hill project, the lower Yellowstone project, the North Platte project, the Newlands project, the Umatilla project, the Salt Lake Basin project, the Strawberry Valley project, the Okanogan project, and the Shoshone project.

Why are the projects mentioned listed in the table with a 100-percent record generally? Well, the reason probably is that the more projects that are included with a perfect record the better the showing. The Government has no charges to collect, and does this little chore 100 percent. Who could do better? This is somewhat like the good record the farmer makes when he is paid by the Government for not raising wheat or other crops. In those cases his record is likely to be good. One hundred percent looks and sounds good, but when it develops that it is 100 percent of nothing at all the record is not so impressive. It cannot be said that the table was submitted by the Reclamation Bureau for the purpose of giving Congress, the public, and the taxpayers, whose money is being squandered, a frank and true picture of the situation.

Many of the reports of the Bureau of Reclamation and the Secretary of the Interior are conflicting and contradictory. It is extremely difficult for one not familiar with all of the conditions to study and analyze these reports. It is difficult enough when the complicated material is presented with clarity. It is still more difficult when the facts are suppressed and distorted for a specific purpose and when the reports show on their face conflicts and contradictions. One example of an outright conflict, discovered by accident in trying to secure needed information, is found in the Secretary's annual report on page 48 under the heading "Loss: Impairment of funds." There is one item shown as "Charge-offs, act of May 25, 1926, \$14,643,981.16." What purports to be exactly the same time, but with supporting details shown, is found on page 50 of the same report. Here, however, the amount is shown to be \$13,886,989.75. Note the refinement in including the 16 cents in the first instance. This indicates an apparent attempt to show a definite, precise amount, yet there is a difference of almost \$1,000,000. Why worry, then, about the 16 cents! By some strange coincidence the same figures appear on both pages stated for "abandoned projects." These figures are \$1,346,244.64, but quite obviously they are not correct and cannot include the King Hill project, with a cost of some \$2,000,000, and the Umatilla project with a cost of about \$5,000,000, if the annual report is to be taken as correct.

It may be that the two projects last named have been abandoned without authority of Congress and are not included for that reason, but the Hondo project in New Mexico is included in the list, and I have been unable to find any record indicating that Congress has authorized its abandonment. It appears to have been considered necessary, at least in some cases, to secure the consent of Congress for abandonment of a project. This raises the interesting and important question of by what authority the King Hill, the Hondo, and the Umatilla projects have been abandoned.

In the discussion some days ago reference was made to the Okanogan project in Washington. The gentleman from Washington appeared to consider this a very wonderful proj-

ect. This has awakened my further interest and I have looked into the records. Let us see what they show. The Secretary's report, to which I have already referred, shows the cost of this project to have been \$1,452,129.45. Of this amount it is shown that the act of May 25, 1926, authorized a charge-off of \$998,729.20. This is considerably more than one-half of the cost. But were they content with this? Oh, no; not at all. I find that by the act of May 25, 1928, all the remainder of the cost except \$310,000 was likewise permitted to be charged off and the landowners were given 31 years in which to pay this amount. The upshot is that they pay, or agree to pay, less than one-fourth of the cost of the project. Not so good as shown by the trick tables. These tables show that on June 30, 1934, the project was delinquent to the tune of \$38,271.23. The annual charges to be paid amount to only \$10,000. The amount uncollected of amount due, as shown in the table, therefore appears to represent charges for approximately 4 years.

It would be interesting to have the gentleman from Washington advise why the extremely small charge for such a wonderful project should be allowed to run and become delinquent for 4 years, as appears to have been the case if the records are to be credited. The act of Congress just mentioned provides that "the Secretary of the Interior is directed to assume control and shut off water to enforce payment whenever any such annual installment is not paid on or before March 1 after due." If the table is to be relied upon and the charges are due and unpaid, it is plain that the Secretary of the Interior has disregarded the explicit direction of Congress. And what about the great reclamationist, Elwood Mead? Has he been so feverishly busy working up new projects that he has paid no attention to the old ones? He is a wonderful builder and theorizer. His record indicates that few if any of his theories work out, but when they collapse he very adroitly diverts attention elsewhere by exploiting and publicizing something new that promises great results. His projects invariably look much better in the blueprints than on the ground. The blueprints, prepared, of course, by someone else, usually look very attractive.

If the Reclamation Bureau wishes to be fair with Congress, why prepare and present tables concealing and distorting the true facts in the way that has been unquestionably done? This betrays Members of Congress, as in the case of Senator POPE, into making statements which cannot be borne out by the facts or which at least are lacking in frankness.

Secretary Ickes, in an article appearing some time ago in *Colliers*, makes a desperate effort to leave the impression with the public that irrigation projects are financed from the reclamation fund, raised from the resources of the western States. He says that the pockets of the farmers and others in the East are not being picked to construct irrigation and power projects. This article probably should have appeared under the name of Elwood Mead. The Secretary, in what he describes as a frank statement, has permitted his ghost writer to lead him astray in certain aspects, while in others perhaps poetic license is invoked, as I believe he recently remarked about some other matters. The Secretary, Administrator, and so forth, ad lib., knows very well that all of the allotments made from P. W. A. funds come from the Treasury. The reclamation fund has nothing to do with the case. Even the old projects—a fact which probably Secretary Ickes does not know—have been partly constructed with funds from the Treasury and not by any means from the reclamation fund. The Secretary's own report for 1934 shows on page 48 that under the act of June 25, 1910—please note the early date—a loan was made by the Treasury to the reclamation fund of \$20,000,000. A further Treasury loan was made, or at least authorized and presumably made, by the act of March 4, 1931, of \$5,000,000. This makes a total of \$25,000,000 from the Treasury. The Secretary's report shows that \$10,000,000 of this amount has been repaid after some 25 years, it appears, but \$15,000,000 seems to be still in arrears. The legislation shows that these loans were made for the completion only of projects injudiciously undertaken

when sufficient funds were not in the reclamation fund and on which work would have to be discontinued but for the loans. Following the usual reclamation custom, extension after extension has been granted by Congress on the return of these funds to the Treasury. So just how accurate and frank is the Secretary when he strives to leave the impression that the Treasury and the taxpayers are not affected by the program?

Besides, taking the history of reclamation as it has been written, how can anyone expect or believe that the funds allotted from P. W. A. appropriations will be returned to the Treasury in full? Everyone who is familiar with conditions expects huge losses to occur. But "Honest Harold" says these projects are carefully planned, while he implies that the former ones were not. The *Engineering-News Record*, in an article appearing in the November 29, 1934, issue, analyzes most of the new projects and styles them political and geographical, without planning. This journal says that the Grand Coulee Dam is just \$63,000,000 worth of dam, without planning. It is not an irrigation dam, and it is shown that there is no market for the power to be generated. Of course, in the beginning, it would not be admitted that this was anything other than a power dam because of the prejudice against irrigating 1,200,000 or more of new land not needed. Now, however, the view seems to be that this may, after all, be an irrigation dam or the makings of one. This may be another fiction to ease the pressure from the Northwest. They really should find out about it before it is finished. It might prove to be like some of the war-time sweaters which turned out to be something different.

It is also stated by "Honest Harold" that the reclamation law requires projects to be self-liquidating and that contracts must be made for payment of costs. The implication plainly is that he is following the reclamation law. But let us see about that. Certainly this is not true as to the source of the funds. They do not come from the reclamation fund. So far as it can be ascertained, after diligent investigation, no contracts have been secured for repayment of costs of the Grand Coulee Dam or the Casper Alcova projects, except for a very small part of the latter. No contracts for the sale of power have been made, although the Secretary in his article states that the Casper Alcova project is being built because of the "clamorous demand" for power. It is a deep mystery by whom such clamor is made or indeed to whom the power when generated will be sold. But, taking the word of the Secretary that there is a clamor, why has he not made contracts for its sale as in the case of Boulder Dam under the requirement of Congress. The *Engineering-News Record* in editorials has denounced this project as utterly unsound, stating among other things, that there is no market in sight for the power. The people whose money is being spent are entitled to an explanation as to why no contracts have been made insuring at least to some extent the return of the funds in view of the clamorous demand for the power.

In discussing the Shoshone project in Wyoming some days ago I gave from memory certain figures which, upon examination of the records, I find to be inaccurate in some details. These I wish to correct.

In the first place, my estimation of the cost of this project was far too low. I was under the impression that the cost was something like \$6,000,000, but the Secretary's report shows it to have been \$10,014,847.13. Do not forget the 13 cents. Of this amount \$1,544,771.05, it seems, has been charged off as a loss under the act of May 25, 1926. This figure does not agree with the act of Congress making the charge-off. The act states the amount as \$1,677,630, but it appears that some provision is made for adjustment. A very large amount is authorized to be suspended, which is equal to a further loss. The exact amount of the suspensions is not shown by the reports, but they are undoubtedly large, even after allowing for shrinkage in the synthetic book-keeping methods of the Reclamation Bureau. These figures do not include charge-offs, suspensions, and so forth, on the Willwood division of the project. These will come later in

due course, probably along with additional losses on the other divisions. It would not be proper to press for them now until more money has been spent in Wyoming. There is time and place for everything.

The gentleman from Wyoming some days ago questioned my figures, given from memory and in general discussion, concerning the land cultivated. The gentleman was under the impression that practically all of the land on the Garland division was cultivated and producing, and that the other sections were not far different. Both the gentleman's estimate and my own appear to be somewhat inaccurate, according to the records I have. The Secretary's annual report shows that in the Garland division there are 41,649 acres of irrigable land, and that only 30,144 acres are cultivated. This is about one-fourth, or 11,000 acres, out of cultivation. On the Frannie division the record is better if the reports are correct. There the irrigable land consists of 13,220, and 13,094 acres are cultivated. In view of this fact, it is hard to understand why this division should have been given a moratorium of 15 years, during which period they are to pay nothing on construction charge. I have been able to find no record of such a moratorium being authorized, but I am under the impression that a former Member of Congress, who was in a position to be advised of details, informed me that such was the case. I may be wrong about this, but if so should be glad to be correctly advised. On the Willwood division the record is even worse than stated by me from memory. I stated that about one-half of the area was not cultivated. The records show that there are 11,689 acres in the division, of which only 4,296 acres, or considerably less than one-half, are cultivated.

An attempt is made to justify the Casper-Alcova project on the ground that additional land is much needed in Wyoming to produce local feed for cattle carried on the ranges. The records show that on the Riverton project, which was constructed at a cost of around \$4,000,000—Secretary's report—there are 32,000 acres of irrigable land, while only 4,184, or only about one-eighth, is settled and cultivated. On this project, therefore, there are some 28,000 acres of idle land. This, with the idle land on the Shoshone project, which is said to be so good, but which is not borne out by the records, makes a total of around 50,000 acres of vacant and idle land that could be used for raising the much-needed feed for range cattle and for other purposes. These projects are in this condition after many years of efforts to secure settlers. It is an act of folly, therefore, to expend millions more of the people's money to build the Casper-Alcova project. If there is any logic or so-called "planning" in this, I am unable to discern it.

Great emphasis is placed upon the claim that Wyoming has contributed some \$40,000,000—the amount seems to vary with who is telling the story—to the Government's revenues in the way of oil royalties, and it is claimed this money properly belongs to the citizens of Wyoming and should be expended there. Some days ago I expressed the view on the question of whether or not this money belonged to Wyoming because raised there. I do not agree with the theory. But taking the figures as correct, that is, the \$40,000,000, it is shown by the records that the Reclamation Bureau has spent in the State of Wyoming for irrigation already more than \$20,000,000, and after the expenditures of \$22,000,000, or \$27,000,000, whichever of the constantly changing figures proves to be correct, Wyoming will have overdrawn her account. Should all the money derived from Wyoming be spent there, what would happen to the other States of the West in which there is no oil development and which have contributed very little or nothing to the reclamation fund? Would these States subscribe to the theory advanced by Wyoming? The reclamation law as originally drawn was amended to get away from the very thing Wyoming is now advocating.

Of the \$20,000,000 spent on projects in Wyoming, the records show, if my understanding of them is correct, that only about \$800,000 has been repaid. The Shoshone project has been completed 15 or 20 years, and the Riverton project has

also been completed for several years. If it requires 15 or 20 years to collect \$800,000 of the \$20,000,000 expended, at the same rate it would require some 300 or 400 years to collect the Government's investment. Of course, some of the amount has been already charged off and will never be collected. I think anyone would be very brash even to hazard an estimate as to when the \$22,000,000 or \$27,000,000 to be expended on the Casper-Alcova project will be repaid, if ever. At the present rate of payment it would take at least 500 years.

The foregoing facts and figures demonstrate that the record of reclamation from the economic standpoint is extremely bad and, in my judgment, effectually discredits such Government activity.

May I state to the House that since my remarks on this subject became public I received a number of letters from western farmers complaining bitterly of new lands being put in work. A notable illustration of this is a letter sent to Mr. Fred Brenckman, representative of the National Grange at Washington, D. C., from a resident of the State of Washington. This letter recites that the orchard property in the Wenatchee-Okanogan district showed an average fixed indebtedness, not including current indebtedness for growing costs, per acre of \$599.74. A similar tabulation from the files of the Yakima Production Credit Corporation on 238 growers operating 6,402 acres showed \$238.69 per acre, and on 91 growers, as taken from the files of the same credit corporation, an average of \$438.46 per acre. This writer goes on to say:

This information should be of value to you in your efforts to prevent further irrigation development in the State of Washington. The placing of more lands under irrigation at this time is nothing short of confiscation of the homes and ranches of those people who have already invested their life savings in this State.

I am personally in receipt of another letter from Kennewick, Wash., from a well-informed writer, who states in regard to the people going on these lands:

If we gain a bunch of suckers you lose them and they move out here, and the subsequent disillusionment puts them on the bum for good. You had a plain case of that in the ill-starred Brooklyn caravan when they trekked to Idaho. In our whole national set-up there is no one scandal as rotten as the reclamation delusion. I have been hoping that grandma Mead would fall off some high place or that something would happen to this old maniac, but nothing ever does. The pitiful feature of this whole mess is that the western irrigation farmer is never allowed to "catch up." If the poor fool imagines that he sees daylight a long way ahead his hopes are dashed by a new political ditch (appropriation grab) starting up somewhere. Our "wrecklamation service" should be in the Agriculture Department, not the Interior Department.

During the debate in the House I had a discussion with the distinguished gentleman from Washington [Mr. HILL] as to how the Washington State Grange stood on this proposition. In reading the reports and hearings on this question, I had found that the Washington State Grange was opposed to the Grand Coulee development.

The gentleman from Washington was in part right about this matter, but I am in receipt of a letter which would seem to prove that the change of mind on the part of the former master of the Washington State Grange was not without consideration. A prominent resident of Shelton, Mason County, Wash., gives me the details as to this change of heart. The letter in part states:

In fairness to you, allow me to state the facts: The State Grange of Washington were opposed to the Columbia River development. * * * The State master, A. S. Goss, who is now a commissioner in the Farm Credit Administration (by the way, a Republican) wrote several articles and talked against the development of the project. All at once he switched and went over to the side of Senator C. C. Dill, who was for the project. It is a peculiar fact that as soon as the Democrats got in office Senator Dill recommended this A. S. Goss, a Republican, to a very high office at a very good salary, and he is holding it down. This in spite of the fact that he does not know any more about farming than Mrs. Astor's billy goat. Figure it out for yourself. KNUTE HILL and MARION ZIONCHECK are both friends of mine, but I should like you to know the true facts of the case.

The originals of the foregoing letters are in my possession. I will be glad to show them to anyone who is interested.

CROPS GROWN ON RECLAIMED LANDS

The House and the country have been lulled into neutrality by the claim often advanced that the crops grown on reclaimed lands are but 1 percent of national production. My friends from the reclamation States will say that the Government has no control over private enterprise that has entered this field. This is true from a legislative standpoint, but the fact is that the Bureau of Reclamation has had its finger in every one of these projects. It has fostered and encouraged them. In a recent report it takes under serious advisement the proposition of taking over certain private projects. Not one of these private projects but would have died aborning if the Reclamation Service had declared them uneconomical or impractical. This group, whom I definitely charge with destroying the American farmer, East and West, has been the power on the throne and behind the throne in the promotion of these projects.

I have been unable to get a table of the production on irrigated land later than 1929. This type of census is taken every 5 years and the results of the 1934 census have not yet been tabulated. I am including herewith the 1929 table, showing the relative importance of crops grown under irrigation and the ratio value of the part of each crop grown on irrigated lands to the total value of that crop for the United States for the year 1929. This production includes both Government and private reclamation.

Crop	Value of irrigated crops	Acreage of irrigated crops—percentage of United States total of the specified crops	Total value of crop for the United States	Percentage relation of value of irrigated crops to total value for the same crops for the United States
Total.....	\$899,942,549	4.0	\$8,077,812,320	11.1
Cereals (including corn, rye, barley, oats).....	94,057,264	1.6	3,170,691,603	3.0
Other grain and seeds.....	43,777,658	5.2	234,194,340	18.7
Hay crops.....	169,163,452	10.4	988,436,875	17.1
Silage and miscellaneous forage crops.....	3,740,885	1.1	196,883,541	1.9
Root crops for forage.....	74,784	9.0	885,220	8.4
Vegetables ¹	138,809,727	12.2	1,004,568,393	13.8
Planted sugar crops.....	42,678,942	46.9	86,903,003	49.1
Other crops.....	68,480,808	1.9	1,739,542,956	3.9
Small fruits.....	6,305,508	5.3	63,810,720	9.9
Orchard fruits.....	111,113,718	.....	299,049,812	37.2
Grapes.....	37,351,036	.....	56,168,987	66.5
Subtropical fruits.....	172,184,856	.....	217,446,880	79.2
Nuts.....	12,203,911	.....	19,229,990	63.5

¹ Including potatoes (white) and sweetpotatoes and yams.

In conclusion, let me state that I am speaking for the farmer both East and West. I speak for an American agriculture that is cruelly out of economic balance by reason of overproduction. I hold no brief for the land sharks, boomers, railroad officials, pseudo-empire builders, and similar groups who are the driving force in this "reclamation folly." For the sincere and able men in the House who are for this proposition I have no criticism or comment, except to warn them that the day of wrath with its unhappy political results will soon be at hand unless they mend their ways and protect their constituents who are already on the land by opposing further reclamation.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM (H. DOC. NO. 143)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I transmit herewith a report by the Secretary of State showing all receipts and disbursements on account of refunds, allowances, and annuities for the fiscal year ended June 30, 1934, in connection with the Foreign Service re-

tirement and disability system, as required by section 26 (a) of an act for the grading and classification of clerks in the Foreign Service of the United States of America, and providing compensation therefor, approved February 23, 1931.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 22, 1935.

(Enclosure: Report concerning retirement and disability fund, Foreign Service.)

STANDARDS OF IDENTITY AND QUALITY OF FOODS AND DRUGS (H. DOC. NO. 142)

The SPEAKER laid before the House the following further message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered printed:

To the Congress of the United States:

Every enterprise in the United States should be able to adhere to the simple principle of honesty without fear of penalty on that account. Honesty ought to be the best policy not only for one individual, or one enterprise, but for every individual and every enterprise in the Nation. In one field of endeavor there is an obvious means to this end which has been too long neglected: The setting up and careful enforcement of standards of identity and quality for the foods we eat and the drugs we use, together with the strict exclusion from our markets of harmful or adulterated products.

The honor of the producers in a country ought to be the invariable ingredient of the products produced in it. The various qualities of goods require a kind of discrimination which is not at the command of consumers. They are likely to confuse outward appearance with inward integrity. In such a situation as has grown up through our rising level of living and our multiplication of goods, consumers are prevented from choosing intelligently and producers are handicapped in any attempt to maintain higher standards. Only the scientific and disinterested activity of Government can protect this honor of our producers and provide the possibility of discriminating choice to our consumers.

These principles have long been those on which we have founded public policy. But we have fallen behind in their practical application. No comprehensive attempt at reform in the regulation of commerce in food and drugs has been made since 1906. I need not point out to you how much has happened since that time in the invention of new things and their general adoption, as well as in the increase of advertising appeals. Because of these changes loopholes have appeared in the old law which have made abuses easy.

It is time to make practical improvements. A measure is needed which will extend the controls formerly applicable only to labels to advertising also, which will extend protection to the trade in cosmetics; which will provide for a co-operative method of setting standards and for a system of inspection and enforcement to reassure consumers grown hesitant and doubtful; and which will provide for a necessary flexibility in administration as products and conditions change.

I understand this subject has been studied and discussed for the last 2 years and that full information is in the possession of the Congress.

No honest enterpriser need fear that because of the passage of such a measure he will be unfairly treated. He would be asked to do no more than he now holds himself out to do. It would merely make certain that those who are less scrupulous than I know most of our producers to be, cannot force their more honest competitors into dishonorable ways.

The great majority of those engaged in the trade in food and drugs do not need regulation. They observe the spirit as well as the letter of existing law. Present legislation ought to be directed primarily toward a small minority of evaders and chisellers. At the same time even-handed regulation will not only outlaw the bad practices of the few but will also protect the many from unscrupulous competition.

It will, besides, provide a bulwark of consumer confidence throughout the business world.

It is my hope that such legislation may be enacted at this session of the Congress.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, March 22, 1935.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. GREENWOOD, for 1 week, on account of urgent business.

To Mr. KLEBERG, indefinitely, on account of important business.

ADJOURNMENT

Mr. TAYLOR of Colorado. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 43 minutes p. m.) the House, in accordance with its previous order, adjourned to meet on Monday, March 25, 1935, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HOUSTON: Committee on Public Buildings and Grounds. H. R. 6654. A bill to increase the White House Police Force, and for other purposes; without amendment (Rept. No. 464). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6141. A bill transferring certain national-forest lands to the Zuni Indian Reservation, N. Mex.; without amendment (Rept. No. 470). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6236. A bill to authorize the creation of an Indian village within the Shoalwater Indian Reservation, Wash., and for other purposes; without amendment (Rept. No. 471). Referred to the Committee of the Whole House on the state of the Union.

Mr. AYERS: Committee on Indian Affairs. H. R. 6365. A bill extending the time for repayment of the revolving fund for the benefit of the Crow Indians; without amendment (Rept. No. 472). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROGERS of Oklahoma: Committee on Indian Affairs. H. R. 6542. A bill to define the exterior boundaries of the Navajo Indian Reservation in New Mexico, and for other purposes; without amendment (Rept. No. 473). Referred to the Committee of the Whole House on the state of the Union.

Mr. MURDOCK: Committee on Indian Affairs. H. R. 6771. A bill to authorize an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. L. 484); without amendment (Rept. No. 474). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. HARTER: Committee on Military Affairs. S. 347. An act for the relief of James J. Jordan; without amendment (Rept. No. 463). Referred to the Committee of the Whole House.

Mr. PITTENGER: Committee on Claims. H. R. 6661. A bill for the relief of Maj. Joseph H. Hickey; without amendment (Rept. No. 475). Referred to the Committee of the Whole House.

Mr. AYERS: Committee on Indian Affairs. H. R. 6433. A bill for the relief of certain Indians of the Flathead Reservation killed or injured en route to dedication ceremonies of the Going-to-the-Sun Highway, Glacier National Park; without amendment (Rept. No. 476). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 6840) granting a pension to Elizabeth W. Steele, and the same was referred to the Committee on Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 6952) to facilitate the acquisition of migratory-bird refuges, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 6953) to provide for the construction of a post-office building in Wabasha, Minn.; to the Committee on Public Buildings and Grounds.

By Mr. BREWSTER: A bill (H. R. 6954) to authorize the transfer of the Green Lake Fish Cultural Station in Hancock County, Maine, as an addition to Acadia National Park; to the Committee on Merchant Marine and Fisheries.

By Mr. DEEN: A bill (H. R. 6955) to provide for the cooperation by the Federal Government with the several States and Territories and the District of Columbia in meeting the crisis in education; to the Committee on Education.

By Mr. KNUTSON: A bill (H. R. 6956) to impose an excise tax on butter imported from foreign countries; to the Committee on Ways and Means.

By Mr. McSWAIN: A bill (H. R. 6957) to provide for filling vacancies in the grade of second lieutenant in the Regular Army; to the Committee on Military Affairs.

Also, a bill (H. R. 6958) relating to the appointment of cadets at the United States Military Academy; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 6959) to authorize aid to the public schools and other educational institutions of the United States and to aid in relieving unemployment in the several States and the District of Columbia, and for other purposes; to the Committee on Education.

Also, a bill (H. R. 6960) to authorize the further improvement of rural post roads and to aid in relieving unemployment throughout the United States, and for other purposes; to the Committee on Roads.

By Mr. THOMPSON: A bill (H. R. 6961) to amend the Revenue Act of 1932, by imposing an excise tax on tapioca, sago, and cassava; to the Committee on Ways and Means.

By Mr. MOTT: A bill (H. R. 6962) to amend an act entitled "An act to accept the cession by the State of Oregon of exclusive jurisdiction over the lands embraced within the Crater Lake National Park, and for other purposes"; to the Committee on Agriculture.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 6963) to amend an act entitled "An act setting aside Rice Lake and contiguous lands in Minnesota for the exclusive use and benefit of the Chippewa Indians of Minnesota", approved June 23, 1926, and for other purposes; to the Committee on Indian Affairs.

By Mr. GASQUE: A bill (H. R. 6964) for the erection of a public building at Lake City, S. C., and appropriating money therefor; to the Committee on Public Buildings and Grounds.

By Mr. O'CONNOR: Resolution (H. Res. 172) amending rule XXIV of the House of Representatives; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Washington, requesting that the name of Vancouver Barracks be changed to Fort Vancouver; to the Committee on Military Affairs.

Also, memorial of the Legislature of the Territory of Puerto Rico, requesting an investigation of the Puerto Rican

Emergency Relief Administration; to the Committee on Insular Affairs.

Also, memorial of the Legislature of the State of Colorado, regarding the Hayden highway amendment to House Joint Resolution 117; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUCKLEY of New York: A bill (H. R. 6965) for the relief of the General Baking Co.; to the Committee on Claims.

By Mr. COLE of Maryland: A bill (H. R. 6966) for the relief of Howard Wayne Thorn; to the Committee on Naval Affairs.

By Mr. COOPER of Ohio: A bill (H. R. 6967) granting an increase of pension to Mary Laura Smith; to the Committee on Invalid Pensions.

By Mr. DELANEY: A bill (H. R. 6968) to place George K. Shuler on the retired list of the United States Marine Corps; to the Committee on Military Affairs.

By Mr. DEMPSEY: A bill (H. R. 6969) for the relief of Russell J. Vaughan; to the Committee on Claims.

By Mr. JOHNSON of West Virginia: A bill (H. R. 6970) for the relief of John B. Canter; to the Committee on Claims.

By Mr. O'CONNOR: A bill (H. R. 6971) for the relief of Carl Rasmussen; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 6972) granting an increase of pension to Eliza J. Duff; to the Committee on Invalid Pensions.

By Mr. VINSON of Georgia: A bill (H. R. 6973) granting relief to Daisy B. Smith; to the Committee on Claims.

By Mr. WEAVER: A bill (H. R. 6974) granting a pension to Ellen F. Colt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 6975) for the relief of Claude B. Robinson; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of the rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

5297. By Mr. BACHARACH: Resolution of the Vineland-Landis Township Chamber of Commerce, Vineland, N. J., requesting the passage of the Frazier-Lemke farm-relief-production bill and the Thomas-Massingale cost-of-production bill; to the Committee on Agriculture.

5298. By Mr. DARROW: Memorial of the Philadelphia Board of Trade, opposing enactment of House bill 5357, Steagall banking bill, and similar measures; to the Committee on Banking and Currency.

5299. By Mr. FISH: Petition of 74 citizens of the Twenty-sixth Congressional District, New York, opposing the Wheeler-Rayburn public-utility bills, providing for the abolition of holding companies; to the Committee on Interstate and Foreign Commerce.

5300. Also, petition of 95 citizens of New York, protesting against religious persecutions in Mexico and requesting the recall of the present American Ambassador, Josephus Daniels; to the Committee on Foreign Affairs.

5301. By Mr. JOHNSON of Texas: Memorial of Jack C. Castellaw, of Ennis, and Messrs. S. E. Wood, Jr., Thomas S. Welemm, H. A. Stiles, A. J. Thomas, W. N. Griffith, Weldon Blair, and J. L. Morris, Sr., of Maypearl, Tex., favoring Federal regulation of motor vehicles; to the Committee on Interstate and Foreign Commerce.

5302. By Mr. KENNEY: Resolution of the Irish-American Club, Inc., of North Bergen, N. J., requesting the Members of the Seventy-fourth Congress and the Members of the United States Senate to enact legislation for the payment of these adjusted-compensation certificates to the World War veterans; to the Committee on Ways and Means.

5303. Also, resolution of the Common Council of the Borough of Sayreville, N. J., memorializing the Congress of the United States and the President of the United States to

approve the General Pulaski's Memorial Day; to the Committee on the Judiciary.

5304. Also, resolution of the New Jersey Brick Manufacturers Association of Sayreville, N. J., protesting against the continuation of National Recovery Administration; to the Committee on Appropriations.

5305. By Mr. LAMNECK: Petition of Mrs. E. G. Gibson, of 379 Linwood Avenue, and other citizens of Columbus, Ohio, urging for the continuation of the Nye munitions investigation; to the Committee on Military Affairs.

5306. By Mr. MOTT: House Joint Memorial No. 19 of the Thirty-eighth Legislative Assembly of Oregon, memorializing the Congress of the United States to enact House Resolution 2024 of the Federal Congress, relating to travel pay for certain troops during the Spanish-American War; to the Committee on Pensions.

5307. By Mr. ROGERS of Oklahoma: Petition headed by M. Rogers, of Charlotte, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5308. Also, petition headed by M. E. Dalton, of Knoxville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5309. Also, petition headed by E. Swift, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5310. Also, petition headed by M. Cook, of Clintwood, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5311. Also, petition headed by M. Plumley, of Trousedale, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5312. Also, petition headed by O. Hayes, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5313. Also, petition headed by Samuel Roberts, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5314. Also, petition headed by M. Baskett, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5315. Also, petition headed by Samuel Nicholson, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5316. Also, petition headed by E. Andrews, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5317. Also, petition headed by Frederick Webb, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5318. Also, petition headed by Alvin Brown, of Cleburne, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5319. Also, petition headed by A. W. Wheeler, of Maypearl, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5320. Also, petition headed by O. Harrison, of Stephen Creek, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5321. Also, petition headed by S. A. Ragsdale, of Logan, Ala., favoring House bill 2856, by Congressman WILL ROGERS,

the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5322. Also, petition headed by Y. Anderson, of Chatfield, Minn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5323. Also, petition headed by F. C. Contee, of Sarasota, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5324. Also, petition headed by W. M. Barber, of Crawfordsville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5325. Also, petition headed by T. A. Teague, of Paris, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5326. Also, petition headed by Z. B. Hardin, of Warnick, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5327. Also, petition headed by Rev. Frank Canty, of Gainesville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5328. Also, petition headed by M. E. Brownfield, of Cora, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5329. Also, petition headed by Rev. James E. Lightle, of Johnson City, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5330. Also, petition headed by B. Barkley, of Johnson City, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5331. Also, petition headed by C. Wright, of Princess Anne, Md., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5332. Also, petition headed by L. J. James, of Edna, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5333. Also, petition headed by A. Toodle, of Sherman, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5334. Also, petition headed by Roy Davis, of Grayson County in the State of Texas, favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5335. Also, petition headed by James Cochran, of Albright, W. Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5336. Also, petition headed by August Bock, of Magnet, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5337. Also, petition headed by I. M. Crews, of Rector, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5338. Also, petition headed by H. Jones, of Shaw, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5339. Also, petition headed by E. Meadows, of Atlanta, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the

Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5340. Also, petition headed by Robert C. Lee, of Tillar, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5341. Also, petition headed by Chester Eads, of Carbon Hill, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5342. Also, petition headed by B. S. McLaurin, of Greenwood, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5343. Also, petition headed by M. Biles, of Big Creek, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5344. Also, petition headed by William Dickson, of Sidon, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5345. Also, petition headed by G. E. McGill, of Greenwood, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5346. Also, petition headed by Fred W. Horn, of Virden, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5347. Also, petition headed by Henry Crofton, of Elko, S. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5348. Also, petition headed by C. Williams, of Memphis, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5349. Also, petition headed by James E. Roderick, of Wilmington, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5350. Also, petition headed by Raymond Christopher, of Plaquemine, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5351. Also, petition headed by P. Monett, of Cloutierville, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5352. Also, petition headed by S. E. Hargis, of Texarkana, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5353. Also, petition headed by John T. Byas, of Texarkana, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5354. Also, petition headed by J. R. Sweeney, of Texarkana, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5355. Also, petition headed by E. F. Templeton, of Texarkana, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5356. Also, petition headed by Homer Hilton, of Oconee, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5357. Also, petition headed by M. Edwards, of Chattanooga, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5358. Also, petition headed by W. S. Vails, of Charlotte, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5359. Also, petition headed by J. L. McFarland, of Flora, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5360. Also, petition headed by K. Ballard, of Chattanooga, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5361. Also, petition headed by Adam Brown, of Gloria, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5362. Also, petition headed by Rev. L. H. Holmes, of Gloria, La., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5363. Also, petition headed by S. Hall, of Ethel, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5364. Also, petition headed by Guy N. Norton, of Kevil, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5365. Also, petition headed by M. E. Cook, of Vandalia, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5366. Also, petition headed by R. P. Thompson, of Webster Grove, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5367. Also, petition headed by George Gunter, of Farmington, Mo., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5368. Also, petition headed by Ben Moore, of Prairie Point, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5369. Also, petition headed by Willis Phasom, of Ramer, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5370. Also, petition headed by J. Dyon, of St. Anne, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5371. Also, petition headed by J. D. McKinley, of Franklin, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5372. Also, petition headed by A. Williams, of Ramer, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5373. Also, petition headed by M. C. McKinley, of Franklin, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5374. Also, petition headed by E. Rice, of Hulen, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5375. Also, petition headed by M. Roberson, of Boley, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5376. Also, petition headed by Scott T. Anderson, of Tamo, Ark., favoring House bill 2856, by Congressman WILL ROGERS,

the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5377. Also, petition headed by O. Bauldrin, of Groveton, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5378. Also, petition headed by B. A. Russ, of Flintville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5379. Also, petition headed by J. Y. Delaughter, of Bogue Chitto, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5380. Also, petition headed by J. M. Newman, of Jackson, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5381. Also, petition headed by J. W. Bearden, of Wright City, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5382. Also, petition headed by R. C. Westbrook, of Liberty, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5383. Also, petition headed by R. Williams, of Mobile, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5384. Also, petition headed by Andrew Gregory, of Brinkley, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5385. Also, petition headed by Ambry Wynne, of Fargo, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5386. Also, petition headed by P. R. Campbell, of Birch, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5387. Also, petition headed by John W. Keenum, of Vests, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5388. Also, petition headed by L. Westbrook, of Smithdale, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5389. Also, petition headed by W. L. Dobbins, of Yadkinville, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5390. Also, petition headed by Johnson Drake, of Bowman, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5391. Also, petition headed by W. J. Jones, of Vilonia, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5392. Also, petition headed by C. J. Bearden, of Wright City, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5393. Also, petition headed by K. Chandler, of Blytheville, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5394. Also, petition headed by John Vance, of Ranger, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5395. Also, petition headed by H. C. Subers, of Eastland, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5396. Also, petition headed by B. S. Mathis, of Falcon, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5397. Also, petition headed by E. R. Cooper, of Dunn, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5398. Also, petition headed by C. C. Haruss, of Briceville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5399. Also, petition headed by M. Collins, of Pontotoc, Okla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5400. Also, petition headed by W. E. Bailes, of Seymour, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5401. Also, petition headed by P. Arguello, of Buena Vista, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5402. Also, petition headed by Reece B. Monroe, of Wytheville, Va., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5403. Also, petition headed by R. Preyeay, of Nederland, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5404. Also, petition headed by Oscar Bevoit, of Port Neches, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5405. Also, petition headed by E. Dudley, of Wake Forest, N. C., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5406. Also, petition headed by L. V. Swain, of Harlan, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5407. Also, petition headed by C. R. Strades, of Heiskell, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5408. Also, petition headed by John Gass, of Olyphant, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5409. Also, petition headed by O. D. Phillips, of Hughes, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5410. Also, petition headed by J. S. Skalton, of Hoschton, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5411. Also, petition headed by J. R. Arguello, of Mora, N. Mex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5412. Also, petition headed by M. Dickerson, of Atlanta, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5413. Also, petition headed by N. Stacker, of Clarksville, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5414. Also, petition headed by S. D. Koonce, of Alamo, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5415. Also, petition headed by Marvin McKinley, of Germantown, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5416. Also, petition headed by L. Norwood, of Brenham, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5417. Also, petition headed by Paul W. Hickman, of Mound City, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5418. Also, petition headed by E. Little, of Paulette, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5419. Also, petition headed by F. Thornton, of Laurel, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5420. Also, petition headed by N. C. Jorgensen, of Fort Pierce, Fla., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5421. Also, petition headed by E. D. Johens, of Mattson, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5422. Also, petition headed by Giles Roetts, of Pine Bluff, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5423. Also, petition headed by L. B. Childress, of Dyersburg, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5424. Also, petition headed by M. McLadden, of Marianna, Ark., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5425. Also, petition headed by E. P. Vaughn, of Rome, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5426. Also, petition headed by Elige Retoner, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5427. Also, petition headed by George Reddy, of Groesbeck, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5428. Also, petition headed by John Yarbrough, of Jackson, Tenn., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.
5429. Also, petition headed by Joe C. Adams, of Groesbeck, Tex., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5430. Also, petition headed by P. W. Wilson, of Bowling Green, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5431. Also, petition headed by H. McCloue, of Troy, Ala., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5432. Also, petition headed by Richard Mattingly, of McQuady, Ky., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5433. Also, petition headed by C. Blakemore, of Chicago, Ill., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5434. Also, petition headed by M. Jackson, of Donalsonville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5435. Also, petition headed by C. H. Sampson, of Donalsonville, Ga., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5436. Also, petition headed by B. A. Nichold, of Decatur, Miss., favoring House bill 2856, by Congressman WILL ROGERS, the Pope plan for direct Federal old-age pensions of \$30 to \$50 a month; to the Committee on Ways and Means.

5437. By Mr. SISSON: Resolution of the West Hill Parent-Teachers Association, of Ilion, N. Y.; to the Committee on Education.

5438. Also, resolution of the New York Congress of Parents and Teachers, Inc.; to the Committee on Education.

5439. Also, petition of Group No. 2066, Polish National Alliance of the United States of North America, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

5440. Also, petition of Group No. 67, Polish National Alliance of the United States of North America, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

5441. Also, petition of Group No. 2808, Polish National Alliance of the United States of North America, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

5442. Also, petition of Group No. 491 of the Polish National Alliance of the United States of North America, asking that October 11 of each year be set aside as General Pulaski Memorial Day; to the Committee on the Judiciary.

5443. Also, petition of John G. Pendorf, of Blossvale, N. Y., and others, protesting against House bill 5423 and Senate bill 1725, known as the "utilities bills"; to the Committee on Interstate and Foreign Commerce.

5444. Also, petition of R. H. Hollister, of West Winfield, N. Y., and others, protesting against House bill 5423 and Senate bill 1725, known as the "utilities bills"; to the Committee on Interstate and Foreign Commerce.

5445. Also, petition of Hon. John D. Buckley, of Utica, N. Y., and others, protesting against conditions existing in Mexico; to the Committee on Foreign Affairs.

5446. Also, resolution of the members of Central New York Chapter, Knights of Columbus, comprising over 7,000 members, protesting against conditions existing in Mexico; to the Committee on Foreign Affairs.

5447. Also, petition of Francis E. Horian, of Waterville, N. Y., and others, protesting against House bill 5423 and Senate bill 1725, known as the "utilities bills"; to the Committee on Interstate and Foreign Commerce.

5448. Also, petition of George H. Trinder, of West Winfield, N. Y., and others, protesting against House bill 5423 and Senate bill 1725, known as the "utilities bills"; to the Committee on Interstate and Foreign Commerce.

5449. Also, petition of Robert Thomas, of Waterville, N. Y., and others, protesting against House bill 5423 and Senate bill 1725, known as the "utilities bills"; to the Committee on Interstate and Foreign Commerce.

5450. By Mr. SMITH of West Virginia: Resolution of the West Virginia Legislature, urging the approval of a national colonial celebration for the purpose of financing the proposed George Washington foundation as a national shrine in West Virginia at the historic town of Bath, Berkeley Springs, for the benefit of mankind; to the Committee on the Judiciary.

5451. By Mr. TRUAX: Petition of Anton Blazek Post, No. 2079, Veterans of Foreign Wars, Cleveland, Ohio, consisting of 104 members and an auxiliary of 50 women, by their commander, John Prospal, urging support of Patman bill, for immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

5452. Also, petition of Earnest D. Watson, commander, and 40 other members of George Selsam Post, No. 1058, Veterans of Foreign Wars, Zanesville, Ohio, urging support of Patman bill, for the immediate cash payment of the adjusted-service certificates without compromise; to the Committee on Ways and Means.

5453. Also, petition of Mahoning Lodge, No. 86, Amalgamated Association of Iron, Steel, and Tin Workers, Niles, Ohio, urging support of the Wagner labor bill, by their secretary, William J. Webster; to the Committee on Labor.

5454. Also, petition of the Miami Lions Club, and endorsed by the Lions Club of Newburgh, Cleveland, Ohio, by their secretary, Paul E. Carter, requesting the Congress of the United States to accord to copper a measure of protection sufficient to enable the domestic western mines and home owners to realize the proper and consistent benefits of the home market, in order that their homes, their schools, and their communities may be preserved, and that this protection be established by the levy of a tax sufficient to protect the American copper industry and the people who are dependent on this industry for their living; to the Committee on Ways and Means.

5455. Also, petition of the Mahoning Veterans' Association, Youngstown, Ohio, by their secretary, Carl E. Rook, endorsing the action of Governor Davey in demanding a fair and impartial investigation of the entire Relief Administration in the State of Ohio, and pledging their support to carry out the thought and purposes of the act which created the Federal Emergency Relief Administration, as they realize the importance of the Relief Administration in the adjustment of economic life of the people and the taxpayers of the State of Ohio; to the Committee on Rules.

5456. By Mr. WIGGLESWORTH: Petition of Group No. 329, Polish National Alliance of the United States, Brockton, Mass., memorializing Congress to enact House Joint Resolution 81 and Senate Joint Resolution 11, directing the President of the United States to proclaim October 11 of each year as General Pulaski Memorial Day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

5457. By the SPEAKER: Petition of the city of Liberal, Kans.; to the Committee on the Judiciary.

5458. Also, petition of Andrew Jackson Post, No. 1291, Veterans of Foreign Wars; to the Committee on Pensions.

5459. Also, petition of the city of Parma, Ohio; to the Committee on the Judiciary.

5460. Also, petition of the Chamber of Commerce of Gallatin, Tenn.; to the Committee on Ways and Means.

5461. Also, petition of the city of Keokuk, Iowa; to the Committee on the Judiciary.

SENATE

SATURDAY, MARCH 23, 1935

(Legislative day of Wednesday, Mar. 13, 1935)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

THE JOURNAL

On request of Mr. ROBINSON, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, March 22, 1935, was dispensed with, and the Journal was approved.